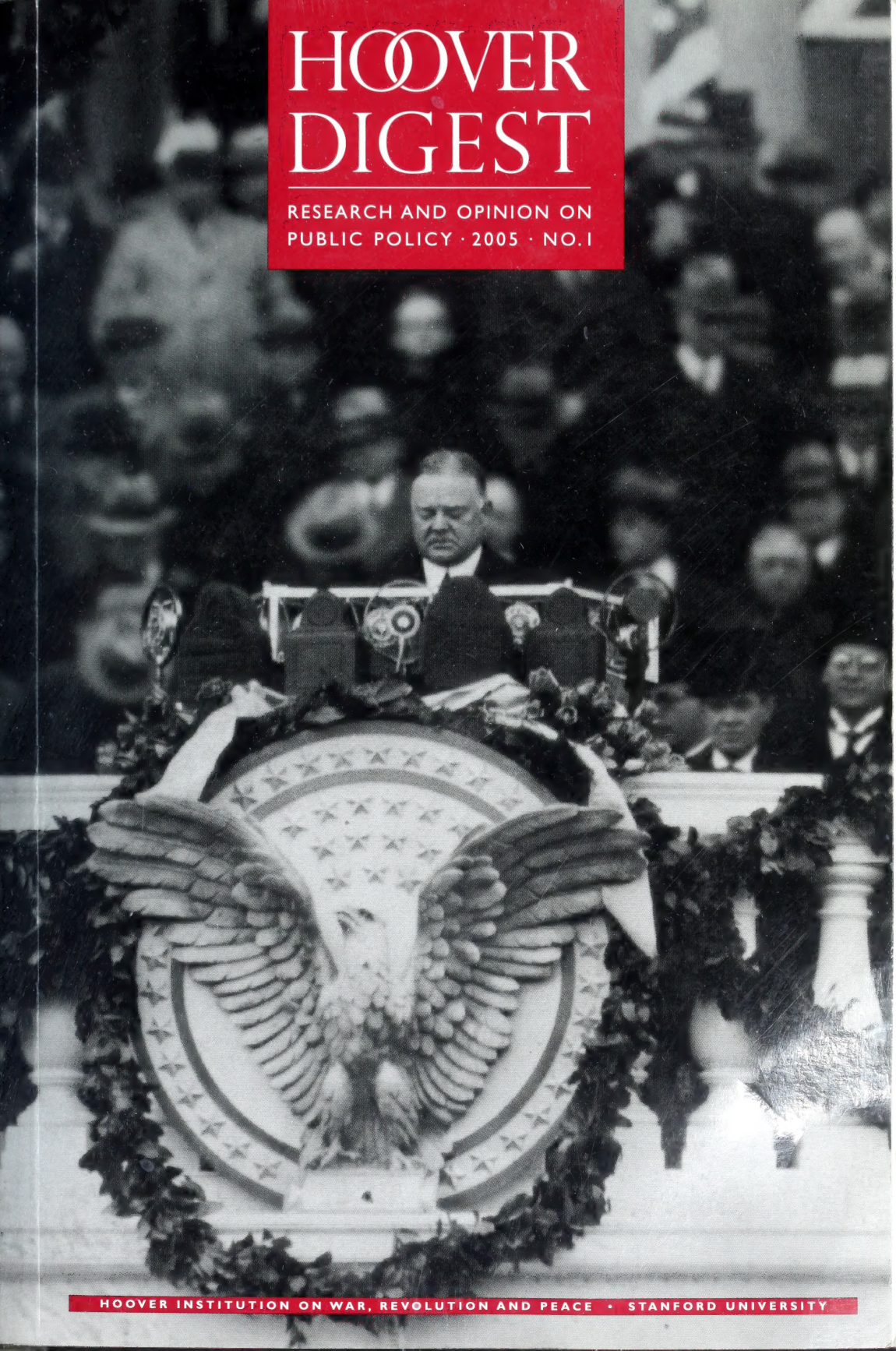

HOOVER DIGEST

RESEARCH AND OPINION ON PUBLIC POLICY · 2005 · NO.1

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HOOVER INSTITUTION ON WAR, REVOLUTION AND PEACE

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Research and Opinion on Public Policy

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The *Hoover Digest* offers informative and compelling writing on politics, economics, history, and culture. Each issue presents brief and engaging articles by the scholars and journalists affiliated with the Hoover Institution, the public policy research center at Stanford University. The mix of articles includes original pieces as well as reprinted material and excerpts from books and monographs.

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On the Cover

After a distinguished career as a mining engineer, international businessman, relief and food administrator in the First World War (1914–1918), and exceptionally influential secretary of commerce in the administrations of Warren G. Harding and Calvin Coolidge, Herbert Hoover was lifted to the White House on a wave of popular acclamation. Hoover voiced a concept of individualism that included regard for others and attachment to the community as a whole. The word that captures his essence is service. He is seen on the cover delivering his inauguration speech on the East Portico of the Capitol on March 29, 1929.

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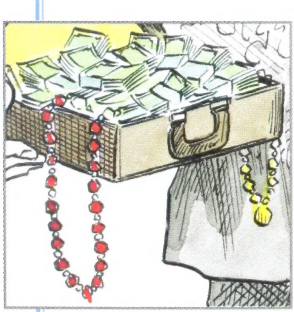

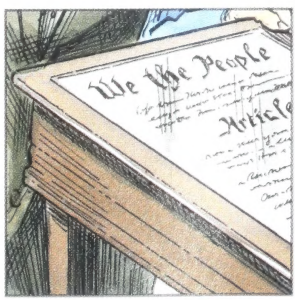

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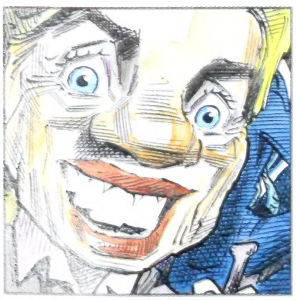

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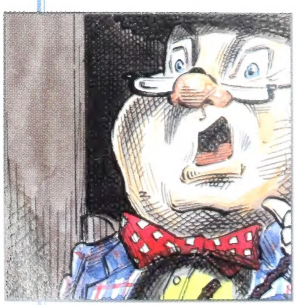

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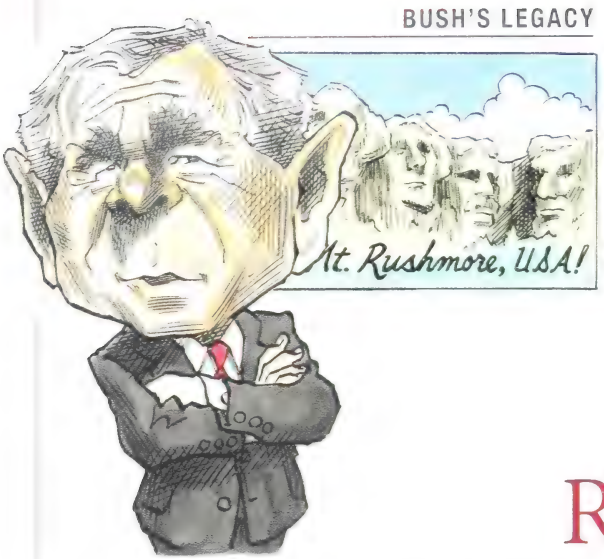

Think Rushmore

The Bush administration faces challenges and dangers of a kind that few other administrations in all our history have ever had to face. But these historic challenges and dangers also represent historic opportunities. **By Thomas Sowell.**

Now that President Bush has twice gotten himself to the White House, the question is whether he wants to try for Mount Rushmore. One of the luxuries of a second term is an opportunity to think about the long run, not simply for one's own "legacy," but for the future of the nation as a whole.

Even during his first term, George W. Bush's long-run strategic view, exemplified by the war on terrorism, contrasted sharply with former president

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Thomas Sowell is the Rose and Milton Friedman Senior Fellow on Public Policy at the Hoover Institution.

Editor's note: After the reelection of George W. Bush, the *Hoover Digest* asked a number of Hoover fellows to offer the president their policy recommendations. Taken together, their replies present a comprehensive agenda for the next four years.

Bill Clinton's preoccupation with short-run political tactics, though this contrast seemed to be little noticed in most of the media.

What are the biggest long-run problems? The biggest is of course national survival in an age when international terrorist networks and rogue nations developing nuclear weapons raise possibilities too chilling to contemplate. If the time ever comes when this president, or any future president, has to hesitate in the face of a mortal threat looming on the horizon because of fear of the word "unilateral" and the howling of critics at home or abroad, this great nation is lost. President John F. Kennedy said it all long ago: "We dare not tempt them with weakness." Already we have had Osama bin Laden warning us that we had better vote his way or face massive retaliation. When Spain caved in to terrorism and changed governments in response to terrorist violence, it opened a new and deadly chapter in international politics.

The guys on Mount Rushmore didn't get there by ducking tough fights.

Domestically, our biggest long-run challenge will be to rescue the voting public's right to govern itself from activist judges who not only invalidate policies they don't like but even dictate new policies to elected officials. Vacancies on the federal courts, including new vacancies expected on the aging Supreme Court, offer a once-in-a-lifetime opportunity to turn around the drift toward judicial despotism.

Those who favor judicial activism have long appreciated how high the stakes are with nominees to the federal bench in general and the Supreme Court in particular. After the orchestrated character assassinations of Judge Robert Bork and Judge Clarence Thomas, there is no excuse for those who want to end judicial activism to be unaware of what a brutal fight lies ahead if they mean to restore the rule of law instead of the rule of judges.

Whatever the short-term solution to the problems created by the [illegible] Judiciary Committee, a longer-term solution must put a stop to the [illegible] of publicly savaging nominees to the courts. Vote against them if [illegible] like them, but do not make this a snake pit that high-quality peop[illegible] many other options, will avoid. Within living memory, judicial nominees did not even appear in person before the Senate for confirmation. A system

that produced giants like Oliver Wendell Holmes is surely better than one that has produced pygmies like David Souter.

Some institutional changes, such as getting the TV cameras out of the committee hearings, or having nominees submit their records without appearing in person, need to be explored and some solution imposed despite the inevitable howling of the liberals and their media allies.

Vacancies on the federal courts, including new vacancies expected on the aging Supreme Court, offer a once-in-a-lifetime opportunity to turn around the drift toward judicial despotism.

Many other areas need institutional change for long-run results. Even something as apparently innocuous as the Census Bureau needs a broader focus than studies incessantly comparing one group with another, featuring pie charts and "gaps"—and ignoring or downplaying the great progress in material well-being of all Americans, including those in the bottom 10 or 20 percent in income.

Census data on family and household income are grossly misleading when families and households are getting smaller over the years. When two working members of a household today earn as much as three working members earned a generation ago, that is not a "stagnation" in income—as the media love to report it—but a 50 percent increase in per capita real income that has enabled one member to go set up another household.

Robert Rector of the Heritage Foundation has made devastating criticisms of these and other misleading Census studies over the years. But despite many years of conservative Republican administrations, neither he nor people who have his perspective have replaced those in the Census Bureau whose liberal vision shapes the way so many issues are presented in the media and in academia. That kind of influence should not go by default to those with one political viewpoint.

The area in which many Americans feel most betrayed by both political parties has been in those parties' refusal to take control of our borders. Fear of the Hispanic vote is no doubt one factor and fear of media demonization is another. But the guys on Mount Rushmore didn't get there by ducking tough fights.

When you consider what a private citizen like Ron Unz has done to get rid of so-called bilingual education in California, for example, it must be clear that you can talk sense to both the general public and the Hispanic population as well, if you make the effort and do not let the political and media chorus intimidate you. Not all Hispanics are thrilled at open borders, any more than they all were dedicated to bilingual education. But the Republicans' greatest failing on this and other issues, going back through several administrations, has been an unwillingness to take their case to the public. On Social Security, for example, they need to spell out that privatization means more total investment, creating more future income from which to pay future pensions.

Too often Republicans have been willing to make backroom compromises with the Democrats, instead of going to the public, as Ronald Reagan did. With the Democrats becoming ever more obstructionist, it is long past time for Republicans to try Plan B. This administration faces challenges and dangers that few, if any, have had to face in our history. But these challenges and dangers, at home and abroad, are also historic opportunities. □

This essay appeared in the *Wall Street Journal* on January 7, 2005.

Available from the Hoover Press is *Controversial Essays*, by Thomas [illegible]. Call 800.935.2882 or visit www.hooverpress.org.

The Battle's Half Won

We have succeeded in stalling socialism. Can the Bush administration reverse it? **By Milton Friedman.**

In the almost six decades since the end of World War II, intellectual opinion in the United States about the desirable role of government has undergone a major shift. At the end of the war, opinion was predominantly collectivist. Socialism—defined as government ownership and operation of the means of production—was seen as both feasible and desirable. Those few of us who favored free markets and limited government were a beleaguered minority.

In subsequent decades opinion moved away from collectivism and toward a belief in free markets and limited government. By 1980 opinion had moved enough to enable Ronald Reagan to win the presidency on a quasi-libertarian agenda.

The collapse of the Soviet Union in 1989 delivered the final blow to the belief in socialism. Hardly anyone today, from the far left to the far right, regards socialism in the traditional sense of government ownership and operation of the means of production as either feasible or desirable. Those who profess socialism today mean by it a welfare state.

Over the same period, the actual role of government in the United States also changed drastically—but in precisely the opposite direction. In the first postwar decade, 1945 to 1955, government non-defense spending, federal, state, and local, equaled 11.5 percent of national income, varying from a high of 16 percent in 1949 to a low of 8.5 percent in 1952. From then on, spending rose rapidly. By 1983, government non-defense spending reached

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Milton Friedman is a senior research fellow at the Hoover Institution. He was awarded the Nobel Prize in economic sciences in 1976.

30 percent of national income, nearly triple the average amount in the first postwar decade. In addition, over the same period, government intrusion into business and private affairs exploded (a small sample: Medicare, Medicaid, Americorps, Head Start, Job Corps, EPA, OSHA, CPSC, LSC, EEOC). No doubt the growth of government was one reason for the shift in public opinion. Big government in practice proved less attractive than big government in prospect.

We have largely won the battle of ideas. But we have not succeeded in reversing socialism.

Reagan's election brought the growth in government non-defense spending to a halt. As of 2003, government non-defense spending equaled 30 percent of national income, the same as it was in 1983. Government intervention through regulation and controls did fall somewhat during Reagan's presidency, but has since resumed its steady rise.

To summarize: After World War II, opinion was socialist and practice was free market; currently, opinion is free market and practice is heavily socialist. We have largely won the battle of ideas (though no such battle is ever won permanently); we have succeeded in stalling the progress of socialism, but we have not succeeded in reversing its course. We are still far from bringing practice into conformity with opinion.

That is the overriding non-defense task for the second Bush term—as President Bush clearly recognizes. It will not be an easy task, particularly with Iraq threatening to consume his political capital. □

This essay appeared in the *Wall Street Journal* on December 9, 2004.

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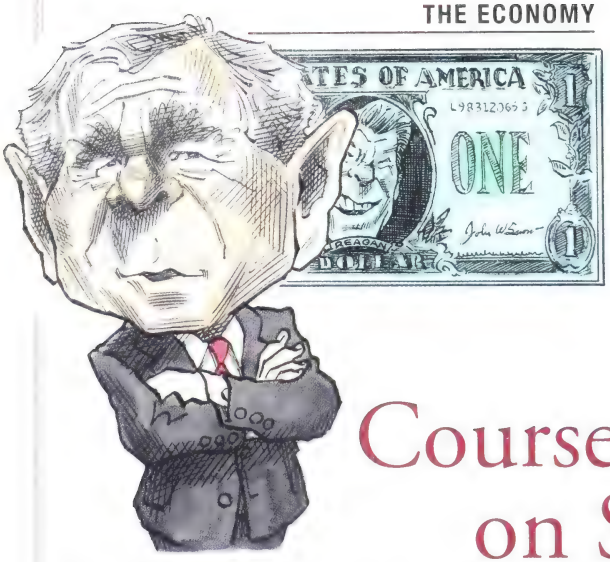
THE ECONOMY



Stay the Course—Except on Spending

In his second term, the president needs to continue pushing for smaller government, lower taxes, and less regulation.

By Michael J. Boskin.

President Bush deserves generally very high marks on economic policy in his first term, although there were some stumbles (e.g., too much non-defense spending growth, steel tariffs). His approach to economics and economic policy—a combination of philosophical principles and practical business experience—will continue to serve him well in his second term. Even before the formal start of his first campaign for president, George W. Bush thought of the presidency not just as an office to hold, an in-box, but as an opportunity to lead and to accomplish important goals for our country. At the top of his list of important issues were (1) cutting taxes (to prevent unnecessary wasteful spending that had accelerated abruptly in the second Clinton term, to

Michael J. Boskin is a senior fellow at the Hoover Institution and the T. M. Friedman Professor of Economics at Stanford University.

strengthen the supply side of the economy for long-run growth, and to insure against the economic downturn his advisers, myself included, unfortunately prophetically, thought likely after Y2K); (2) rebuilding and transforming the military to fight and win the wars of the twenty-first century following the steep decline under Clinton; (3) reforming the entitlement programs, especially Social Security and Medicare, to deal with their long-run insolvency and to modernize them; and (4) reforming the tax system. To be sure, there were other important goals in education, energy, trade, regulation, and litigation, but the above were at the top of his list.

He has made considerable progress in each of these areas, but much remains to be done in a second term. And the economic environment at the start of the second term is quite different from that at the start of the first term. First, the economy is in an expansion and is likely to approach full employment over the next year or two, not sliding into recession following a stock market bubble and crash. Second, the stock market crash, recession, and homeland security and military spending needs have changed the fiscal environment from one of large (partly temporary) budget surpluses to sizable budget deficits (again, partly temporary). Third, several of his signature initiatives have important features that are due to expire (e.g., the reductions in marginal tax rates) or have not yet been implemented (how to pay for the prescription drug benefit added to Medicare as of 2006).

In the hurly-burly of political debate, the president needs to keep reminding all of us—Congress, policymakers, and, most of all, the public—that the agenda he is fighting for adds up to more than the sum of its parts.

In light of this, what should the second-term agenda be? Start with what is good economic policy. Economic policy should be aimed primarily at maximizing non-inflationary growth. That requires (1) the lowest possible tax rates; (2) continuously rigorous spending control; (3) reform of Social Security and Medicare; (4) regulatory and litigation reform; (5) trade liberalization; and (6) sound monetary policy.

Thus, make the lower marginal tax rates—so important to strengthening incentives in the economy—permanent. Tax reform should at the least

lower them further and broaden the tax base by eliminating or combining deductions, exemptions, credits, and definitions. It is not widely appreciated that, under current law, the federal tax share of GDP is scheduled to rise enormously, to almost 25 percent, due to real bracket creep, the alternative minimum tax, and other factors. Thus, tax cuts will be necessary to prevent a huge future tax drag on the flexibility and dynamism of the economy. It is also not appreciated how much reform was included in the president's first-term tax cuts: lower marginal rates, reduced marriage penalty, lowered tax rates on dividends—all were steps toward economists' notions of an ideal tax system, especially reducing the double and triple taxation of saving.

Continuously rigorous spending control is vital. Everything else follows from serious tests of whether it is necessary for government to be spending and, if so, whether that spending should be federal, state, or local and whether the funded programs are target-effective and cost-conscious. We have a large problem because so much government spending is not effective (OMB estimates that only 30 percent of programs have demonstrated even modest effectiveness). The spending problem may be more visible because of large budget deficits, but we would have a serious spending problem even if the budget were balanced. So redouble the good start finally made this year in slowing non-defense discretionary spending growth (after seven years of rapid growth). Expand performance budgeting. Expose and restrict or eliminate ineffective programs.

Modernize Social Security with a personal account component, but combine this with other reforms, such as future changes in retirement age, price- instead of wage-indexing initial benefits, at least above some threshold, and so forth. The Bureau of Labor Statistics (BLS) should make some additional improvements in the consumer price index. Implementing the so-called Chained-CPI it has been computing for several years now—to account for consumers adjusting their buying habits to relative price changes, as called for by the commission I chaired in 1996—will more accurately measure inflation and, incidentally, decrease the national debt by more than a trillion dollars in coming decades. Above all, reduce the unfunded potential future liabilities (they are not legal obligations like Treasury bonds) *first*. Do not make them explicit first and then reform the structure. That would lock in large unnecessary real growth in spending and taxes.

The administration must do away with the misleading language that labels large real benefit increases as benefit cuts if it is to successfully reform Social Security. Future benefits based on the current formula cannot be sustained without large tax increases. Further, annual benefits, which are due to rise substantially in real terms, are due to be paid for more years as life expectancies rise. In short, large real benefit increases will be trimmed back but will still be higher than current levels. Honest discussion would label only decreases from current levels as reductions, not the Washington-speak obsession that labels slowing projected growth as "cuts."

Continue the reform of regulation by redoubling the effort for serious scientific cost-benefit analyses and rigorous risk-benefit analyses. The first-term attempts at specific litigation reform (asbestos, medical malpractice, etc.) should be tried again, but also consider a modified loser-pays-the-costs system that would target the frivolous litigation explosion at its source.

Press ahead with your bilateral and regional free trade agreements, but redouble efforts on the Doha round of multilateral trade liberalization, which is important to U.S. economic interests but even more important to the developing world. It should be a centerpiece of your foreign as well as economic policy.

The recipe of higher taxes, more spending, more regulation, and the like amounts to the same poisonous brew that has led so many other developed economies, especially in Europe, to economic stagnation, double-digit unemployment, and socioeconomic ossification.

None of this will be possible with poor monetary policy (e.g., as in the 1970s). Sound monetary policy is essential to durable economic expansions and strong long-term growth. Although Paul Volcker and Alan Greenspan deserve great credit for the far better monetary policy of the last quarter century, do not take high-quality central banking for granted. Make sure you appoint talented, knowledgeable professionals with backbone to the Federal Reserve's Board of Governors, especially when you appoint a successor to Chairman Greenspan.

Most of the attention on economic policy will focus on the budget deficit. Rigorous spending control and the lowest possible tax rates will keep

the deficit and debt/GDP ratio well under control, but don't be misled by large-headline, nominal deficit numbers. Adjusting for cyclical conditions, the inflation erosion of the real value of the previously issued debt, and a separate capital account for federally financed net investment and the military buildup, recent deficits were quite reasonable. As the economy returns to full employment and most of the temporary military spending buildup concludes, deficits not exceeding 2 percent of GDP will stabilize or reduce the debt-GDP ratio and would be balanced by the inflation erosion and net investment (i.e., would not be debt financing current public consumption).

Under current law, the federal tax share of GDP is scheduled to rise enormously, to almost 25 percent, due to real bracket creep, the alternative minimum tax, and other factors. Thus, tax cuts will be necessary to prevent a huge future tax drag on the flexibility and dynamism of the economy.

In the hurly-burly of political debate, keep reminding all of us—Congress, policymakers, most of all, the public—that, just like a football, basketball, or baseball team, the agenda you are fighting for adds up to more than the sum of its parts. A more modest role of government, lower and simpler taxes, slow growth of spending, modernized solvent entitlements, trade liberalization, regulatory and litigation reform, and support for sound monetary policy is *the recipe* most likely to lead to rising living standards, low unemployment, long economic expansions, less-frequent recessions, better-paying jobs, and upward mobility for those who have not yet made it up the economic ladder. And the alternative of more spending, higher taxes, more regulation, and the like is the poisonous brew that has led so many other developed economies, especially in Europe, to economic stagnation, double-digit unemployment, and socioeconomic ossification. □

This essay appeared in the *Wall Street Journal* on January 24, 2005.

Available from the Hoover Press: *Frontiers of Tax Reform*, edited by Michael J. Boskin. To order, call 800.935.2882 or visit www.hooverpress.org.

Real Tax Reform

In Central and Eastern Europe, the flat tax has proved a resounding success. Why not enact it here? **By Alvin Rabushka.**

Will we ever get real tax reform in the United States? For several decades, economists, journalists, and politicians have been discussing the pros and cons of the flat tax, sales tax, value-added tax, and other proposals as alternatives to our current federal income tax. One commission after another has made recommendations to overhaul the federal income tax, but little has come of these efforts. Special interest groups and partisan politics have blocked all efforts at reform since 1986. Every year Congress further complicates the tax code. President Bush established another commission, his Advisory Panel on Federal Income Tax Reform, on January 7, 2005, but it will doubtless encounter the same obstacles. A new commission is not needed. A better approach is simply to look around the world at a raft of success stories. The flat tax has been adopted in eight newly independent Central and Eastern European countries, has been proposed by political parties in two more, and is even under consideration in China.

Estonia was first, implementing a 26 percent flat tax in 1994. The relatively high rate was set to balance its budget, a requirement of its new constitution. Since then, buoyed by strong economic performance, Estonia has eliminated the corporate tax on retained earnings, taxing only distributed profits. The rate is scheduled to fall to 24 percent in 2005 and 20 percent in 2007.

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Next to follow in 1995 was Latvia with a 25 percent rate.

Russia is the big story. It took the tax reform world by storm in 2000 with a 13 percent flat tax, replacing its previous three-bracket system that topped out at 30 percent. The results have been spectacular. The economy has enjoyed four years of sustained growth. Real (inflation-adjusted) ruble revenue from the personal income tax rose 25.2 percent in 2001, 24.6 percent in 2002, 15.2 percent in 2003, and 16 percent in the first half of 2004. By year's end, total receipts will have more than doubled; the share of consolidated budget revenue received from the personal income tax increased from 12.1 percent in 2000 to 17 percent at the end of 2003.

After a pause of three years, the flat tax resumed course. In 2003 Serbia implemented a comprehensive 14 percent flat tax on personal and corporate income.

The flat tax has been adopted in eight newly independent Central and Eastern European countries, has been proposed by political parties in two more, and is even under consideration in China.

Taking a page from Russia's playbook, Ukraine implemented a 13 percent flat tax in 2004, replacing five brackets of 10, 15, 20, 30, and 40 percent. Dividends and interest on bank deposits will be taxed at an even lower 5 percent rate beginning in 2005. News reports suggest that Ukrainian officials consulted with their Russian colleagues. The advice they received was that incentives and revenue would rise and that the underground economy and tax evasion would decline.

In 2004 Slovakia implemented a 19 percent flat tax on both individual and corporate income. The measure, which passed by a vote of 85 to 48, garnered the support of some opposition deputies. The 19 percent flat tax replaced five brackets of 10, 20, 25, 35, and 38 percent and the corporate rate of 25 percent. It greatly simplified the previous system, which included 90 exceptions, 19 sources of income that were not taxed, 66 items that were tax-exempt, and 27 items with their own specific tax rates (e.g., bank interest, honoraria, etc.). Once the corporate tax is paid, dividends received by individuals are tax-free.

Georgia's new president, Mikhail Saakashvili, was inaugurated on January 25, 2004. Five days later he stated that one of his new government's top priorities was the introduction of a flat-rate tax system. On December 22, 2004, Georgia's parliament approved the 12 percent flat tax effective January 1, 2005, by an overwhelming vote of 1,071 to 11. Seven days later, on December 29, 2004, the newly elected government of Romania implemented a 16 percent flat tax on personal and business income, effective January 1, 2005. Opposition political parties in the Czech Republic and Poland have proposed a 15 percent flat tax on both personal and corporate income.

In every case, a simple flat tax replaced complicated tax regimes with multiple rates.

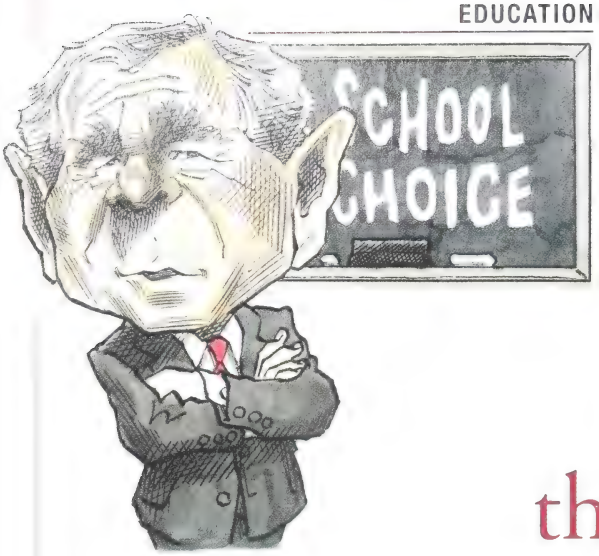
In November 2003 I was invited by the Ministry of Finance to Beijing to discuss personal income tax reform. A Chinese translation of *The Flat Tax* was published in May 2003 by the China Financial & Economic Publishing House, with the preface written by Vice-Minister of Finance Lou Jiwei. During the past few years, several Chinese professors of public finance have written articles on the economic and fiscal benefits of sharply reducing China's top personal income tax rate of 45 percent, some suggesting a flat 20 percent rate. The government is likely to announce some preliminary reforms of the personal income tax in its March 2005 budget.

Better than another tax commission would be a road trip to Central and Eastern Europe to see firsthand the success of the flat tax. □

This essay appeared in the *Wall Street Journal* on January 12, 2005.

Available from the Hoover Press is *Taxation and Economic Performance*, by W. Kurt [illegible], a monograph in the Hoover Essays in Public Policy series. Also available is *The Flat Tax*, by Robert E. Hall and Alvin Rabushka. To order, call 800.935.2882 or visit www.hoover-press.org.

EDUCATION



Power to the Parents

President Bush should empower parents by giving them a say over where—and how and from whom—their children learn.

By Chester E. Finn Jr.

Will President Bush and his invigorated Republican allies in Congress seize their new opportunity to reshape federal education policy for the twenty-first century?

One can hope.

Education loomed small during the campaign, save for much fruitless wrangling over the adequacy of current federal spending levels. Immediately after his victory, however, the president enumerated his high-priority agenda items for the second term and included education on that list. But how he

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Chester E. Finn Jr. is a senior fellow at the Hoover Institution, chairman of Hoover's Koret Task Force on K–12 Education, and president of the Thomas B. Fordham Foundation.

talked about it is revealing—and worrying. His other domestic initiatives could be termed part of the "ownership society." They would empower individuals and families to make their own decisions and direct their own resources: shaping their own social security, finding the health care that suits them, keeping more of their after-tax income, paying for the college of their choice, and so on. Only when talking about K-12 education did he speak in terms of institutions, indeed of governmental institutions: "make public schools all they can be" was the key Bush phrase. Here he spoke of providers of the delivery system rather than its clients.

There is, of course, much to be said for improving the elementary-secondary delivery system and plenty of reason to focus on high schools, which appear to be the top White House concern. The real falloff in U.S. achievement begins in the middle grades and worsens after eighth grade, and we have evidence aplenty that, even as a woefully large number of young people fail to graduate from high school, a huge fraction of those who do are unprepared for college-level academics or the modern workplace.

Yet reforming U.S. high schools, important and worthy as it is, is also what John Kerry would have done as president. It has little to do with the election results or the GOP mandate, such as it is. And it has naught to do with the moral values and faith issues that are said by most analysts to have shaped the election results—and differentiated Republicans from Democrats.

The proper GOP focus these next four years would be to bring the ownership society into primary-secondary education by accelerating America's progress toward universal school choice. That's the K-12 equivalent of giving people a say over their health care and their social security investments. Give them a say over where (and how and from whom) their children learn.

There are innumerable ways in which this goal could be advanced from Washington. Let me mention four:

Strengthen the landmark education law of the first term, the No Child Left Behind Act, by turning its modest choice elements into something that will serve many more children. Erase the statutory boundaries that now constrain those choices (e.g., school districts), create alternative mechanisms to operate these programs in states and districts that are hostile to them, seed thousands more charter schools, and make it harder for states and districts to obstruct the spread of charters.

Underwrite the growth of virtual schools and virtual charter schools, thus bringing the benefits of enriched curricula and high-quality instruction, as well as educational options and modern technology, to rural and small-town America and to homeschoolers.

Following the new District of Columbia model, make federally subsidized voucher programs available for low-income youngsters in communities that are ready and willing to accept such programs.

The Bush administration should focus on bringing the ownership society into primary and secondary education by accelerating progress toward universal school choice.

Using consumer-friendly information systems (e.g., GreatSchools.net), bring specific data about school options and school performance to parents across America so that they can make informed choices—and do their part to hold schools accountable for results.

❖

Four worthy federal policy initiatives—and that's just the tip of the choice iceberg. If President Bush wants a lasting education legacy from his second term, he should do for the empowerment of parents what, during his first term, he did for standards, testing, and school accountability. He might even find a measure of support among Democrats who have figured out that it's neither sound policy nor good politics to remain joined at the hip to the public school establishment. ◻

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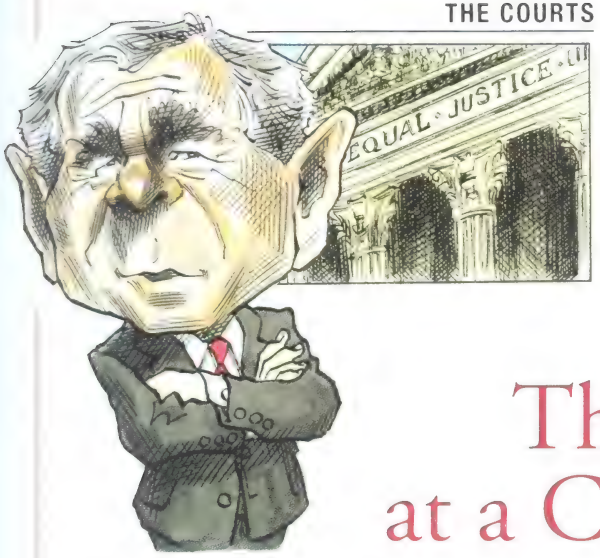
THE COURTS



The Courts at a Crossroads

What kind of judges should the president nominate? The kind who are willing to place limitations on government power and to protect individual rights against federal and state intervention.

By Richard A. Epstein.

The partisan battles over confirmation hearings have surely spun out of control. With each new presidency since Jimmy Carter's, the time for confirmation gets ever longer and the fraction of nominees that runs the gauntlet gets ever smaller. Most of these pitched battles are familiar party struggles between Republicans and Democrats over such matters as abortion and affirmative action.

Nonetheless, a second division in sentiment, which takes place largely within the ranks of the Republican Party, should not be overlooked in the current

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anxiety about judicial nominations. Part of the genius of Ronald Reagan was his ability to balance off the tension between the libertarian and social-conservative wings of the Republican Party. The differences between them are in many cases quite profound. Social conservatives may have great affection for judicial restraint, but libertarians usually do not. And the difference shows on key issues that really matter to the long-term social agenda. Let me mention just three that are now before the Court.

Social conservatives are willing to champion highly expansive readings of federal power to fight a drug war that looks counterproductive to say the least. Libertarians (like me) are depressed at how, in *Ashcroft v. Raich* (2004), a Republican administration is invoking in its struggle New Deal precedents (most notably *Wickard v. Filburn* in 1942, which allowed federal officials, in their efforts to rig grain markets, to treat grain fed to one's own cows as commerce "among the several states"). Competition among states is one of the best ways to limit government power, which cannot happen when the federal government can instantly take up the slack. A similar story took place on issues of individual rights. Justice O'Connor was one of the coauthors of a misguided opinion in *McConnell v. Federal Election Commission* (2003) that upheld the extensive network of restrictions on free speech, with a direct appeal to the Progressive tradition. Later this term, in *Kelo v. New London,* it is an open question whether the left and the right on this Supreme Court will again unite to allow powerful local governments to bulldoze private homes with the bare chance that the land taken might someday be used for a project with some indirect benefit.

The Framers wanted a Constitution that threaded the needle between public institutions too weak to govern and those that are too strong.

These three cases reveal a deep tension that could be replicated on other hot-button issues. President Bush is right to insist that the justices of the Supreme Court not impose their personal preferences on society in deciding the great cases of our time. But he is wrong to assume that fidelity in interpretation necessarily results in giving full sway to broad federal powers, on the one hand, and little protection of individual rights against federal and

state intervention, on the other. No explicit provision in the Constitution commands either judicial restraint or judicial activism. A full range of strong structural and individual guarantees was intended to place major limitations on government power. Sound interpretation should respect that commitment. That result is no mistake; the Framers wanted a Constitution that threaded the needle between public institutions too weak to govern, such as the Articles of Confederation, and those that are too strong, which would snuff out all our private liberties and initiatives.

The differences between the libertarian and social-conservative wings of the Republican Party are in many cases quite profound—and they show on key issues that really matter to the long-term social agenda.

The moral seems clear. Recognize that more than one strand falls under the overbroad label of conservative. And by all means pick a mix of judges for the Supreme Court and lower courts, for diversification is a good strategy for judicial appointments as it is everywhere else. But please, Mr. President, remember that a sound mix includes judges who hold up the libertarian wing of the Republican tradition. That wing has a vital role to play in preserving the welfare of the nation. ◻

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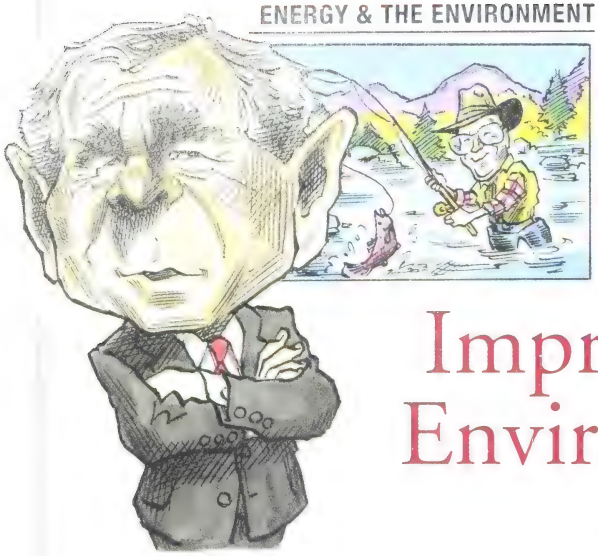
ENERGY & THE ENVIRONMENT



Improving the Environmental Grade

The president's goal should be to leave office having improved the environment and reduced the regulatory burden.

By Terry L. Anderson.

"Montana, Idaho to Have More Say in Wolf Management" read the headline on January 4, 2005, in a local Montana newspaper. The article announced the Bush administration's decision to give the two states more authority over controlling wolf populations that have exploded since their reintroduction in Yellowstone Park in 1995. From fewer than 20 wolves, there are now more than 400 in the Yellowstone region and more than 700 in Montana and Idaho. The decision to give more authority for wolf management to states follows one giving western governors more say over the management of 58 million acres of federal land designated as roadless by the Clinton administration.

Terry L. Anderson is [illegible]nd Jean DeNault Senior Fellow at the Hoover Institution.

Is the Bush administration beginning to dismantle the top-down environmental regulatory regime built up in Washington, D.C., since the early 1970s?

The first two years of the Bush administration did not offer much hope that the answer was yes. PERC (the Property and Environment Research Center) issued an environmental report card grading the administration's environmental policies based on the criteria of "free market environmentalism" (a way of addressing environmental problems that recognizes the importance of incentives, of devolving policies to the lowest effective governmental level, and of harnessing markets to improve environmental quality). Based on these criteria, the first report card gave the administration an overall grade of C– because it had mainly continued using "command-and-control environmentalism."

A second report card just before Bush's reelection increased the grade to C+. The improvement came from the administration's water-quality management program, which establishes standards for stream quality but allows trading among polluters to achieve lower costs in meeting the standards. The program is patterned after a similar one in North Carolina's Tar-Pimlico Sound. There, municipalities and industries, which cannot reduce emissions without tremendous costs, can offset the cost for hog farmers of reducing discharges and bring water quality into compliance with EPA standards at much lower costs. Bush's water-quality trading program will allow similar improvements for streams in the Midwest, where confined animal feeding operations can reduce discharges at far lower cost than point sources such as municipalities and industries. The administration also gets high marks for reforming the regulatory review process, especially as it applies to electrical generating plants that can be fitted with new, less-polluting technologies. In the past, such fitting required a "new source review" that was so costly that companies simply chose to stay with older, dirtier technologies. Under the Bush reforms, the review is much simpler, with the result being cleaner air at a lower cost.

The administration can further improve its environmental grade by applying free market environmentalism. More can be done to encourage markets to allocate the West's scarce water. More can be done to devolve federal land management to local levels and to allow market forces to determine how the land is used. For example, a simple step would be to allow

ranchers to rent or sell their grazing permits to environmental groups wanting to reduce grazing on federal lands. More can be done to encourage tradable fishing rights for coastal fisheries. By allocating a share of a sustainable harvest to fishers, such tradable fishing rights give fishers an incentive to husband fish stocks, many of which are in serious decline.

The top-down environmental regulatory regime has been built up in Washington, D.C., since the early 1970s. Is the Bush administration willing to dismantle it?

Bush's second term seems to be off to a good start with Secretary of Interior Gale Norton's announcement that wolf management would be devolved to the states. It remains to be seen who will head EPA; whoever it is will have to fight a well-entrenched bureaucracy if he or she wishes to promote free market environmentalism. If President Bush can make these types of changes, he will leave office having reduced the regulatory burden on the economy and having improved environmental quality. □

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An Energy Policy for the Twenty-first Century

The challenge for the next four years: to implement energy policies that allow plentiful energy at reasonable costs, that enhance energy security, and that reduce emissions of carbon dioxide.

By James L. Sweeney.

Our nation needs to enhance energy security and environmental security. With strong leadership, the United States can adopt policies that accomplish both goals.

Since the 1973–74 energy crisis, the United States has taken many steps to improve energy security. Technological progress, governmental policies, and economic incentives have together greatly constrained growth in oil use, making us less vulnerable to oil shocks. At the same time the U.S. economy continued to grow: In 1973 we used more than 1,400 barrels of oil per million dollars (in 2000 dollars) of gross domestic product; in 2003 that figure was less than half as large. The strategic petroleum reserve provides a shock absorber against disruptions. Natural gas has grown as an alternative to oil, creating additional supply diversity.

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But the problem of oil security has returned. World oil demand is again growing rapidly, driven by economic recovery, international development, and, particularly, the rapidly growing Chinese economy. We can expect tight oil markets for decades. Tight oil markets bring higher oil prices. More important, though, tight oil markets bring greater—and thus more damaging—price spikes from oil supply disruptions.

The Bush administration's hydrogen initiative—a public sector/private sector initiative to develop technologies for hydrogen-fueled motor vehicles—deserves strong support. A hydrogen economy would greatly improve energy security and reverse the upward trend in carbon dioxide emissions.

At the same time, oil supply disruptions have become more likely. Thirty percent of world oil is now produced in the volatile Middle East. Worldwide terrorism has increased risk to the oil infrastructure. Attacks on Iraqi oil production/transportation facilities continue. Terrorist attacks in Saudi Arabia have hit the oil system and its workers.

Together these two factors—the increased likelihood of disruptions and the tighter oil markets—bring national security risks.

Energy security will require reducing oil use, hardening soft targets, maintaining the strategic petroleum reserve, and creating economically viable substitutes for crude oil.

Security and vulnerability problems are not limited to oil. If liquified natural gas (LNG) production is concentrated in unstable regions of the world, growing international trade in LNG will create new security problems. American centralized energy systems, supplying large amounts of energy, provide soft targets for terrorist attacks. And U.S. energy systems are vulnerable to inadvertent disruptions, as illustrated by the Northeast power blackout.

Paralleling energy security issues are problems of environmental security. Particularly challenging is the growth of greenhouse gas emissions and the worldwide environmental risks these emissions entail.

During the last 30 years, the United States has taken many steps to improve environmental [illegible]. We have greatly limited sulfur emissions from

electricity generation, thereby reducing risks from acid rain. Criterion pollutants from new automobiles have declined by orders of magnitude; the greatest remaining problems are old, super-polluting vehicles. Air and water quality is improving, reducing risks to human health. Although more progress is feasible and desirable, environmental security has improved significantly.

But one particularly difficult problem remains: atmospheric releases of greenhouse gases. Evidence has become persuasive that growing concentrations of greenhouse gases increase average global temperature, modify rainfall patterns, increase severity of tropical storms, raise ocean levels, sharply disrupt ecosystems, and can be expected to accelerate species extinction. Although greenhouse gases come from many sources, fossil fuel combustion is the prime human-induced source.

Many policy options to improve national security would also improve environmental security—and vice versa. The challenge for the next four years is to implement energy policies that allow plentiful energy at reasonable costs, that enhance energy security, *and* that reduce atmospheric carbon dioxide releases. Among such policy options, strategies for governmental sponsorship or encouragement of technology development seem particularly attractive.

The Bush administration's hydrogen initiative—a public sector/private sector initiative to develop technologies for hydrogen-fueled motor vehicles—deserves strong support. Economically attractive hydrogen fuel cell vehicles would allow a shift from petroleum-based motor vehicle fuels to hydrogen fuels. Our nation, and the rest of the world, could turn coal, natural gas, wind—almost any domestic energy source—into automotive fuels, thereby avoiding energy supplies from the unstable Middle East. A hydrogen economy would greatly improve energy security and reverse the upward trend in carbon dioxide emissions. But technology, infrastructure, and institutional barriers are profound, and we cannot be sure of success. The transformation would not be fast but could be possible over the next 50 years.

In addition to the hydrogen initiative, we need a clear vision of aggressive technology strategies to solve the dual problems of energy security and of environmental security and serious resource commitments supporting that vision. We need increased federal budgets for pure research and applied research to create low–carbon dioxide technologies, technologies to increase

energy supply from secure sources, and technologies to improve end-use energy efficiency. But federally funded research cannot be the entire answer; the United States needs more private sector initiatives, through corporate research or corporate funding of external research.

Energy efficiency improves energy security and environmental security. Corporate average fuel economy (CAFE) standards for passenger cars and for light-duty trucks need tightening, particularly for SUVs. But simply tightening the standards is not enough: The entire 30-year-old CAFE system is due for reform. Marketable efficiency credits, attribute-based standards, integration of car and truck standards, and recognition of hybrid electric vehicles should all be part of a reformed system. Increased automotive fleet efficiency would enhance energy and environmental security over the next several decades. Attractive energy efficiency improvements are not limited to automobiles. Improvements for appliances, buildings, and industrial processes could all enhance energy and environmental security.

Strengthening and expanding the electrical grid is also important for energy security. Improvements should not be tied to an omnibus energy bill that may remain stalled in Congress. Grid enhancements should include more transmission, advanced control technologies, and improved communication and coordination. We must avoid a repeat of the Northeast power blackout. Such an expansion can help the environment by allowing renewable energy technologies to be integrated into the electric system.

Ever since President Eisenhower appointed a commission to address increasing oil imports, most U.S. presidents have adopted policies for improving energy security and environmental security. My fervent hope is that the Bush administration will give energy security and environmental security a particularly prominent place on its agenda during the next four years. □

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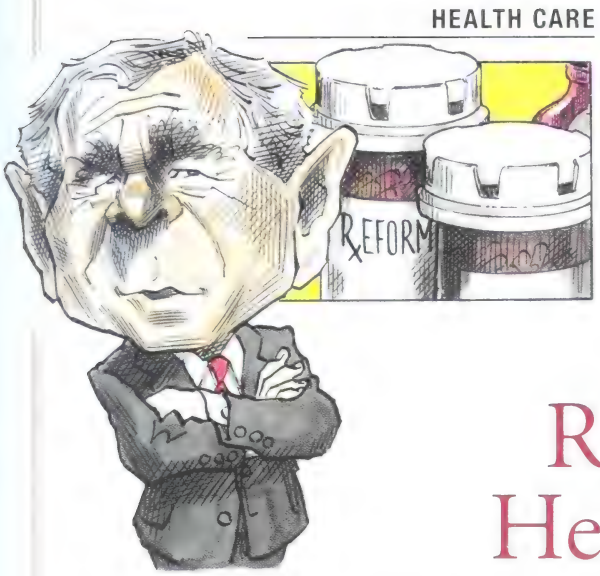

Reforming Health Care

The U.S. health care system is in critical condition. How the president can revive it. ***By Daniel P. Kessler.***

The U.S. health care system needs reform. After a century of innovation, the quality of our health care is the envy of the world. Yet the system is in deep trouble. Costs are rising rapidly, the number of uninsured is at an all-time high, and public satisfaction is sinking.

The first step to solving these problems must include reforming a handful of poorly designed public policies. I suggest three areas for immediate attention: the tax treatment of health expenses, the regulation of insurance markets, and the medical malpractice liability system.

Tax reform. A simple change to the tax law would cut unproductive health spending, reduce the number of uninsured, and promote greater tax fairness and progressivity. For anyone with at least catastrophic insurance coverage

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all health care expenses—employee contributions to employer-provided insurance, individually purchased insurance, and out-of-pocket spending—would be tax deductible. The deduction would be available both to those who claim the standard deduction and to those who itemize.

The most important effect of tax deductibility would be to reduce unproductive health spending. Under current law, medical care purchased through an employer's insurance plan is tax free, whereas direct medical care purchased by patients must be made with after-tax income. As many others and I have observed, this tax preference has given patients the incentive to purchase care through low-deductible, low-copayment insurance instead of out of pocket, which in turn leads to cost-*un*consciousness and wasteful medical practices.

Tax deductibility has two other important benefits. First, by making health care more affordable for a large number of uninsured persons, it will reduce the number of people who are uninsured. Second, it will make the tax system fairer and more progressive. Current tax law penalizes workers whose employer does not offer them health insurance, making them buy insurance with after-tax dollars. Moreover, percentage tax reductions from deductibility for low-income households are much larger than the same reductions for high-income households, despite the fact that a one-dollar deduction benefits a high-income taxpayer more than a low-income one because low-income taxpayers are more likely to have high levels of out-of-pocket spending.

Regulatory reform. Two types of state regulation—"mandated benefits" laws and "any-willing-provider" laws—drive up the cost of health care and increase the number of uninsured. The Congressional Budget Office estimates that mandated benefits laws—which require that health plans cover particular types of persons, services, or providers (e.g., alcoholism treatment or chiropractic services)—increase health insurance costs by 5 percent, and possibly as much as 15 percent, beyond what they would be if consumers were free to choose the benefits package they most preferred. New research finds that "any-willing-provider" laws (which require that health plans reimburse for care provided by any doctor, hospital, or pharmacist who is willing to accept the plan's terms and conditions) increase health care costs by 1 to 2 percent, by weakening the cost-containment effects of managed-care plans.

Therefore insurance companies should be allowed to offer their plans on a nationwide basis, free from costly state benefit mandates and excessive regulations. Regulations should be uniform and cover only essential areas. The benefits of nationwide insurance are considerable. Health insurance will become more portable because people could switch jobs across state lines without their insurance being canceled. All people, but especially the uninsured, would have access to lower-cost insurance options.

Malpractice reform. Two reforms to the malpractice system would reduce the cost and improve the quality of care. First, reasonable caps on non-economic damages will reduce the prevalence and cost of "defensive medicine"—treatment based on fear of litigation that drives up costs but offers minimal health benefits. Second, data on adverse medical events collected by insurers, hospitals, and physicians to improve the quality of care should not be admissible as evidence in medical malpractice trials. In general, such data are discoverable by plaintiffs, unless they fall under a state's specific statutory exception. Providing this additional protection to potential defendants will enhance their incentives to reduce the number of medical errors. □

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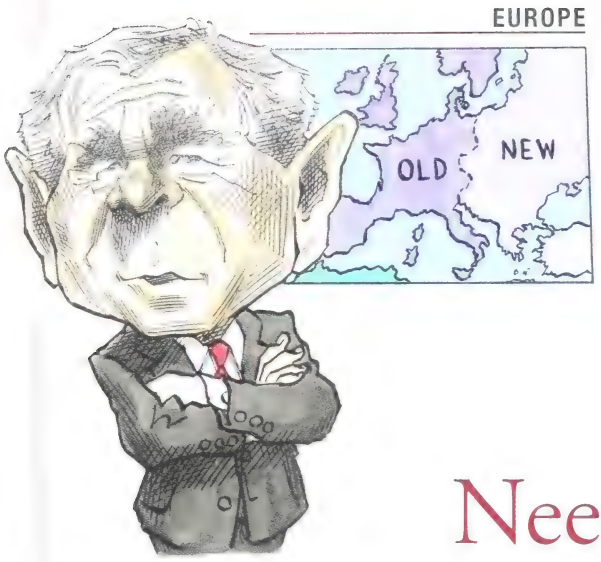

Why We Need Europe

We cannot succeed in Iraq or in the war on terror without first repairing our relations with Europe. **By Gerald A. Dorfman.**

Putting American relations back on track with important European allies such as Germany and France needs to be a high priority in the early days of the second Bush administration. Although conflicts with these countries over Iraq served useful domestic political purposes for a few years, the damage done by cross-Atlantic arguments has now become more of a liability to American interests than a domestic political asset. Going forward, the lack of a cooperative relationship with our important European allies is hurting our ability to solve the Iraq dilemma as well as a myriad of other problems in the Middle East.

Witness the situation in Iraq since the arrest of Saddam Hussein. Once embarked on a nation-building project in Iraq, the United States needed the help that France and Germany could provide, using the advantages that

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flow from their long historical, economic, and political relationships with Iraq and in the region. Colin Powell acknowledged this point repeatedly in recent months, coupled with his calls for Western allies to put their disagreements with the United States behind them and pitch in to help. The United States has a very long list of needs: political support for the efforts in Iraq, which can add to the credibility and legitimacy of our efforts with other countries in the region; forgiveness of debt; financial support for rebuilding Iraq's infrastructure; training police and military support to provide sorely missing security; and advice about how to manage our efforts taking into account the historical, economic, cultural, and political realities we don't understand as well as the Europeans do. That the administration now acknowledges that our allies have help to offer in Iraq confirms quite clearly how handicapped the United States has been, relying on a coalition that was much weaker than the one we enjoyed during the first Iraq war.

During the Cold War the United States operated from the premise that our West European allies were crucial partners in our struggle with the Soviet Union and the communist bloc. Disagreements within the alliance were common, but working out an understanding was normally a prerequisite for taking action. During those Cold War disagreements the notion that American leadership was paramount and that the United States had the power ultimately to do what it wanted was always an overhanging but largely unspoken reality. Indeed Europeans often did (and do) resent this reality, understanding that they have no effective veto over U.S. policy. Yet there existed a beneficial confidence that the allies shared a consensus about the nature of the enemy threat and were agreed on a strategic approach to dealing with that threat. It was understood that the United States would exercise the greatest restraint when acting outside the context of the alliance.

The events since 9/11 have been a roller-coaster ride, going from impressive solidarity with our European allies following 9/11 and the Afghanistan war to the unprecedented rancor over Iraq. We now know how damaging it is for the alliance to suffer such disarray. The Bush administration needs to work flat out to repair this damage. America cannot succeed in Iraq or in the war on terror without this change. ◘

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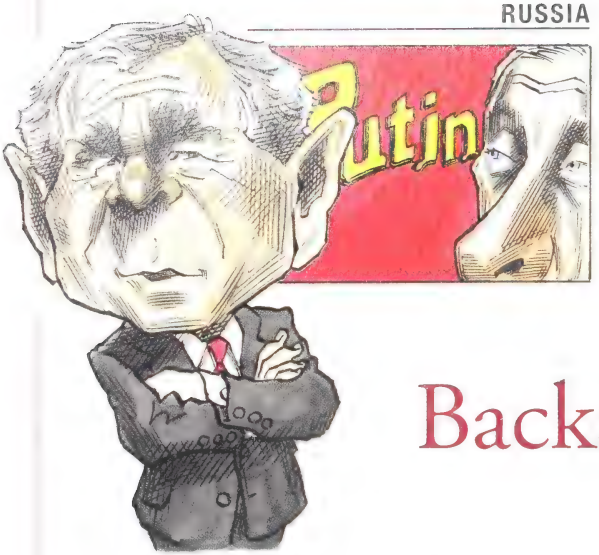
RUSSIA



Backsliding in Moscow

The Russia of Vladimir Putin is becoming increasingly authoritarian—and President Bush should say so. **By John B. Dunlop.**

If Vladimir Putin were to be asked whether he has been strengthening the Russian state during the almost five years of his presidency, he would surely reply in the affirmative. And if he felt it necessary to buttress his response, he might mention his oft-cited promise to establish "the dictatorship of the law" in Russia.

But has Putin in fact been engaging in state-building and strengthening the Russian state? If by the term state-building, one means *authoritarian* state-building, then the answer would be maybe yes, but also maybe no. On the other hand, if one is speaking of *democratic* state-building then the answer must be unequivocally no.

State-building refers to the processes of strengthening the relative power of the state vis-à-vis society and other non-state actors. Max Weber long

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ago defined the state as "a human community that (successfully) claims the monopoly of the legitimate use of physical force within a given territory." In this sense, and perhaps in this sense alone, Putin could be said to have been a successful state-builder. He has demonstrably strengthened the relative power of the state vis-à-vis society and other non-state actors (for example, certain leading oligarchs).

Putin has built upon the super-presidentialism embodied in the Yeltsin Constitution of 1993 and has significantly ratcheted up the power of the so-called *siloviki* (power ministries), especially of the secret police, the FSB. One well-known Russian sociologist, Olga Kryshtanovskaya, recently calculated that the *siloviki* make up approximately 25 percent of Russia's ruling elite and 58 percent of Putin's close entourage.

A major problem connected with the increasingly authoritarian power amassed by the *siloviki* in Russia is that they are now involved in, and indeed direct, areas of national life for which they have little professional training or expertise, including art, culture, the mass media, and even elections.

Has Vladimir Putin been engaged in democratic state-building? The answer is an unequivocal no.

A fundamental distinction has to be made between strong states that are repressive dictatorships (such as present-day Russia) and strong democratically oriented states (such as the United States). In a liberal democratic state such as the United States individual rights are protected, as are capitalistic property rights, while an independent court system protects the rule of law and a reasonably honest bureaucracy implements regulations. Asked by a recent poll whether "the level of stealing and corruption in the country had changed since Putin was elected president," 51 percent of Russian respondents replied that the level of corruption in the country remained about what it had been under Yeltsin. Twenty-two percent thought that there was "less corruption," but 21 percent believed that there was "more corruption." Obviously a high level of corruption serves to block or hinder any efforts at state-building, even authoritarian state-building.

In Russia today, the ruling elite and the upper ranks of the bureaucracy are eagerly joining the ranks of the wealthy oligarchs. To take just one example,

Putin's chief of staff also serves as the chairman of the council of directors of the huge gas monopoly, Gazprom. "State capitalism" is being actively fostered by the Putin regime. Not surprisingly, popular support for a market economy has been on the wane in Russia. In 1998, 20.9 percent of Russian respondents supported "the creation of an effective market economy"; by 2004, that level of support had dropped to 15.5 percent.

Putin has weakened the Russian state by rejecting the separation of powers, a free parliament, an unfettered press, an independent judiciary, and federalism.

It would seem self-evident that any effort at successful state-building would require the existence of a largely uncorrupted judiciary and police force. A recent poll showed, however, that only 12 percent of Russian citizens believe that Russian judges are honest and uncorrupt. Sixty-seven percent (that is, two-thirds) contended that, in rendering their decisions, "judges in general are not ruled by the law, and they pass unjust sentences." Forty percent cited personal greed as the chief motivation behind the judges' sentences.

The deep suspicion and even contempt of the Russian citizenry for their police force are well known. Asked in a poll whether the practice by the Russian police of soliciting bribes, shakedowns, extortion, and so on represented a "stable system," 58 percent of Russian correspondents stated that it did; 28 percent cited individual instances of corruption. Self-evidently, a corruption-ridden judiciary and venal police render the prospect of effective state-building unlikely.

President Putin recently publicly regretted the fact that in Russia "we do not, unfortunately, have a developed civil society." A former high-ranking aide to President Yeltsin, Georgii Satarov, has recently noted, however, that the Putin regime finds itself on the opposite side of the barricades from endangered Russian civil society. "There is a civil society in Russia," Satarov underlined. "It is more honest, smarter and more far-sighted than the regime. It is different from the regime, not the same thing. Civil society is working in the interests of the country while the authorities have their own concerns."

One organization often singled out as the most visible example of civil society in Russia today is the Union of Committees of Soldiers' Mothers, headed by Valentina Melnikova. In early November 2004, representatives of this organization from 50 regions of Russia gathered in Moscow to create the United People's Party of Soldiers' Mothers. A recent poll of Russian residents found 64 percent of respondents approving the activity of the mothers' groups while 27 percent opposed it. The new party's main goals are to abolish the Soviet-era compulsory military draft and to participate in the State Duma elections of 2007. The party is currently being harassed both by the Russian bureaucracy and by the police. One of its leaders has been arrested and given a two-year prison sentence.

The Putin leadership has decided to abolish the elections of governors in Russia's 89 regions. This step was formalized by the State Duma in early December 2004. There have been reports that Putin also supports abolishing the election of Russia's mayors. This giant step backward from federalism has incensed representatives of Russia's minorities, who make up about 20 percent of the country's population. Putin's ill-conceived federal reform could generate new Chechnyas within the Russian Federation, especially in the combustible North Caucasus region with its heavily Muslim populace.

At the outset of this article I asked whether or not Putin has in fact been engaged in strengthening the Russian state during his nearly five years in office. Although Putin and his entourage see him as a vigorous state-builder, he has de facto ("objectively," as the Russians say) been engaged in weakening the Russian state. The chief reason for this has been because he has consciously rejected the model of democratic state-building, with its separation of powers, free parliament, unfettered press, independent judiciary, rules of the game, and dynamic federalism. □

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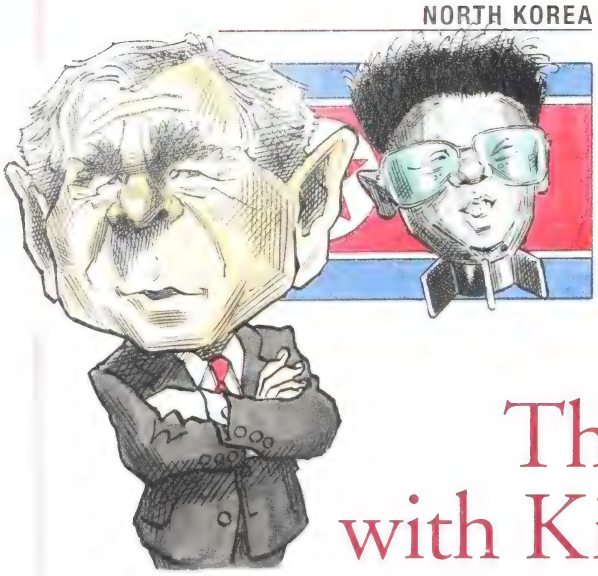

The Trouble with Kim Jong Il

We need a better class of dictator running North Korea. Challenges the administration faces in dealing with Kim Jong Il. **By Henry S. Rowen.**

North Korea's nuclear weapons confront us with hard choices. We are being urged to make another deal with the North but experience tells us that more and perhaps worse crises would follow. We will do better if we focus on a destination instead of some stopover: to wit, a new leadership in Pyongyang as a step toward the unification of the Korean peninsula under a democratic order.

The North's weapons pose three dangers. Mounted on its long-range missiles, they could inflict devastation at long distances, including the United States; the threat to Japan is already rousing it to re-arm and could lead to a nuclear-armed Japan—and South Korea as well. Worse still, the regime might sell bombs to terrorists.

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The crisis was set off by the North admitting in October 2002 that it had a secret nuclear weapons program in violation of the 1994 Agreed Framework, which promised economic benefits in return for "freezing" its nuclear program. (It apparently began its secret program in the mid-1990s.) Since openly breaking it, the Kim Jong Il regime has loudly proclaimed that the United States is planning to attack and has demanded a guarantee of security from us. But we are very unlikely to attack without South Korean concurrence, which isn't in the cards. As for the North starting a war, Kim doesn't seem to be suicidal.

Agreements or no, Kim Jong Il will not give up his nuclear weapons.

Kim's strategic position is weak. Despite some liberalizing steps, the country is an economic basket case, and evidently Kim sees his hold on power as too fragile to stand Chinese-style openness. What's left is using nuclear weapons for extortion.

Kim might not understand the fire with which he is playing. Despite the inhibitions we have against using force there, a serious prospect of North Korean-originated bombs being detonated in Manhattan could overcome them. Of course, we are not the only concerned party; the Bush administration is rightly treating this as also a problem for Kim's Asian neighbors. The Japanese see it that way, but what about the South Koreans and Chinese?

Much has changed for the worse between South Korea and the United States. In the past we were aligned with the South's need to consolidate its democracy and security. With its democracy now solid, the problem is security. Southerners don't expect the North's nuclear weapons to land on them or to be the target of nuclear-armed terrorists, but Americans see themselves as endangered both ways. To many South Koreans, especially younger ones, the North is less of a threat than the United States. They also fear that political collapse in the North will cause millions of people to head south and burden them with building the North's economy. These are worries that South Korea's friends can help to allay.

China's position is pivotal. Despite protestations to the contrary, Kim Jong Il could not stay in power without at least its tacit support. China's

leaders don't want a communist regime to collapse, a flood of refugees, a war that might bring American forces to the Yalu River, or a re-armed Japan. They say they oppose the North's nuclear programs, but, despite having the power to end them, they have not done so, which could lead to the undesirable outcome of three more nuclear-armed neighbors, two in Korea plus Japan.

What should we do? A new deal allowing more intrusive inspections would be incompatible with the character of North Korea. Some argue that we should negotiate anyway, suggesting that this would "buy time" during which something good might happen. Given our options, that argument should not be rejected out of hand. But how much time might we "buy"? The record suggests very little; agreements or no, Kim Jong Il will not give up his nuclear weapons.

As Nicholas Eberstadt puts it (*Weekly Standard,* November 29, 2004), we need a better class of dictator running North Korea. A Park Chung Hee or a Deng Xiaoping would mean economic liberalization and a step toward political liberalization—and eventual unification. The Chinese would surely prefer that to the consequences of Kim remaining in power.

That brings us full circle to the assets the United States might bring to bear, raising the question of how we have dealt with the many other economic, political, and security issues we have with China. Putting them all on the table together might change the dynamics of our relationship. If the Chinese government realizes that we won't deal with North Korea, that the Japanese will react negatively, and that we will try to bring about Kim's removal, it might decide to do something decisive about the North.

We also need to have a frank discussion with South Korea. On the one hand, we should offer to help it with the burdens that might emanate from a destabilzed North; on the other, we should make it clear that it cannot have U.S. protection while sustaining a regime that threatens us.

If the American government focuses on a goal and devises a long-term strategy, it can do remarkable things. Here is a challenge to it of a high order. □

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The Real Humanists

The toppling of the Taliban, the overthrowing of Saddam Hussein, and the establishment of democracy in the Arab world represent "the most humane developments in the Middle East in a century."

By Victor Davis Hanson.

In September and early October 2001 we were warned that an invasion of Afghanistan was impossible—peaks too high, winter and Ramadan on the way, weak and perfidious allies as bad as the Islamists—and thus that the invasion would result in tens of thousands killed and millions of refugees. Where have all these subversive ankle-biters gone? Apparently into thin air—or to the same refuge of silence as all the Reagan-haters of the 1980s who swore that a nuclear freeze was the only humane policy of dealing with Soviet expansionism.

After the seven-week defeat of the Taliban, these deer-in-the-headlights critics paused and then declared the victory hollow. They said the country had descended into rule by warlords and called the very idea of scheduled voting a laughable notion. We endured them for almost two years. Yet after the recent and mostly smooth elections, Afghanistan has slowly disappeared from the maelstrom of domestic politics, as all those who felt our efforts were not merely impossible but absurd retreated to the shadows to gnash their teeth that Kabul is not yet Carmel. Western feminists, homosexual-rights advocates, and liberal reformists have never in any definitive way expressed appreciation for the Afghan revolution now ongoing in the lives of 26 million

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An Afghan woman casts a ballot for president at a polling station in Kabul, October 2004. The victor in the race, Hamid Karzai, became the first elected president in Afghanistan's history.

formerly captive people. They never will. Instead, Westerners simply now assume that there was never any controversy but rather a general consensus that Afghanistan is a "good thing"—as if the Taliban went into voluntary exile due to occasional censure from the *New York Review of Books.*

The more ambitious effort to achieve similar results in Iraq is following the same script despite even more daunting challenges. Fascistic neighbors rightly see elections in Iraq as near fatal to their own bankrupt regimes. Some have oil; others have terrorists; still more, like Iran and Saudi Arabia, have both. Unlike Afghanistan, there is no neutral India or Russia nearby to keep Islamists wary; only the provinces of the ancient caliphate to supply plenty of jihadists to continue the work of September 11. Our mistakes in the reconstruction of Iraq are never properly critiqued as naive and too

magnanimous; rather they were decried by the Left as cruel and punitive—as if being too lax was proof of being harsh.

Yet, thanks to the brilliance of the U.S. military and despite the rocky reconstruction and our own election hysteria, there is a good chance that the Iraqi elections can begin a cycle similar to what we see in Afghanistan. And at that point things should get very, very interesting.

We are living in historic times, as all the landmarks of the past half century are in the midst of passing away. The old left-wing critique is in shambles—as the United States is proving to be the most radical engine for world democratic change and liberalization of the age.

Just as the breakdown of a few communist Eastern European states led to a general collapse of Marxism in the East, and the military humiliation in colonial Africa and the Falklands led to democratic renaissance in Iberia and Argentina, and American military efforts in Nicaragua, El Salvador, and Panama City brought consensual government to Central America, a reformed Afghanistan and Iraq may prompt what decades of billions of dollars in wasted aid to Egypt, Jordan, and the Palestinians, the 1991 Gulf War, and 60 years of appeasement of Gulf petrol-sheiks could not: the end of the old sick calculus of Middle East tyrannies blackmailing the United States through past intrigue with the Soviet Union, then threats of oil embargoes and rigged prices, and, most recently, both overt and stealthy support for fundamentalist killers.

Similar efforts to isolate Arafat, encourage the withdrawal from Gaza, and allow the Israelis to proceed with the fence have brought more opportunity to the Middle East than all of Dennis Ross's shuttles put together, noble and well meant though his futile efforts were. The onus is on the Palestinians now either to turn Gaza into their own republic or give birth to another Lebanon—their call before a globalized audience. They can follow on successful elections and shame the Arab League by being the embryo of consensual government in the Middle East, or coronate yet another thug and terrorist in hopes that again the United States will play a Chamberlain to their once-elected Hitler.

If someone wonders about the enormous task at hand in democratizing the Middle East, he could no worse than ponder the last days of Yasser Arafat: the tawdry fight over his stolen millions; the charade of the First Lady of Palestine barking from a Paris salon; the unwillingness to disclose what really killed the "Tiger" of Ramallah; the gauche snub of obsequious Europeans hovering in the skies over Cairo, preening to pay homage to the late prince of peace; and, of course, the usual street theater of machine guns spraying the air and thousands of males crushing each other to touch the bier of the man who robbed them blind. Try bringing a constitution and open and fair elections to a mess like that.

Who would have thought that a young U.S. Marine from the suburbs of Topeka battling the Dark Ages in Fallujah—the real humanist—was doing more to aid the planet than all the billions of the United Nations?

But that is precisely what the United States was trying to do by removing the Taliban, putting Saddam Hussein on trial, and marginalizing Arafat. Such idealism has been caricatured with every type of slur—from both the radical Left and the paleo-Right—ranging from alleged Likud conspiracies and neocon pipe dreams to secret pipeline deals and plans for a new American imperium in the Middle East shepherded in by the Bush dynasts. In fact, the effort not just to strike back after September 11 but to alter the very landscape in which our enemies operated was the only choice if we wished to end the cruise-missile/bomb-'em-for-a-day cycle of the past 20 years, the ultimate logic of which led to the crater at the World Trade Center.

Oddly, our enemies understand the long-term strategic efforts of the United States far better than do our own dissidents. They know that oil is not under U.S. control but priced at all-time highs and that a post–Cold War America is not propping up despotism anymore but is now the general foe of both theocracies and dictatorships—and the thorn in the side of "moderate" autocracies. An America that is a force for democratic change is a very dangerous foe indeed. Most despots long for the old days of Jimmy Carter's pious homilies, appeasement of awful dictatorships gussied up as "concern" for "human rights," and the lure of a Nobel Prize to ensure nights in the Lincoln Bedroom or hours waiting on a dictator's tarmac.

On the struggle in the Sunni Triangle hinges not just Iraq, but rather the future of the entire Middle East—and it will be decided on the bravery and skill of mostly 20-something American soldiers. If they are successful in crushing and humiliating the fascists there and allowing elections to take hold, then the radical Islamists and their fascistic sponsors will erode away. But if they fail or are called off, then we will see Days of Sorrow that make September 11 look like child's play.

We are living in historic times, as all the landmarks of the past half century are in the midst of passing away. The old left-wing critique is in shambles—as the United States is proving to be the most radical engine for world democratic change and liberalization of the age, promoting the once dispossessed Shiites, Kurds, and women of the Middle East. A reactionary Old Europe, in concert with the ossified American Leftist elite, unleashed everything within its ample cultural arsenal: novels, plays, and op-ed columns calling for the assassination of President Bush; propaganda documentaries reminiscent of the oeuvre of *Pravda* or Leni Riefenstahl; and transparent bias passed off as front-page news and lead-ins on the evening network news.

George Bush's radical efforts to cleanse the world of the Taliban and Saddam Hussein, bring democracy to the heart of the Arab world, and isolate Yasser Arafat have been the most risky and humane developments in the Middle East in a century—old-fashioned idealism backed with force in a postmodern age of abject cynicism and nihilism.

Germany and France threw away their historic special relationships with America, whereas billions in Eastern Europe, India, Russia, China, and Japan either approved of our efforts or at least kept silent. Who would have believed 60 years ago that the great critics of democracy in the Middle East would now be American novelists and European utopians, while Indians, Poles, and Japanese were supporting those who just wanted the chance to vote? Who would have thought that a young U.S. Marine from the suburbs of Topeka battling the Dark Ages in Fallujah—the real humanist—was doing more to aid the planet than all the billions of the United Nations?

Those on the Left who are ignorant of history lectured the Bush administration that democracy has never come as a result of the threat of conflict or outright war—apparently the creation of a democratic United States, Germany, Japan, Italy, Israel, El Salvador, Nicaragua, Panama, Serbia, and Afghanistan was proof of the power of mere talk. In contrast, the old realist Right warned that strongmen are our best bet to ensure stability—as if Saudi Arabia and Egypt have been loyal allies with content and stable pro-American citizenries that don't crash airplanes into our skyscrapers. In truth, George Bush's radical efforts to cleanse the world of the Taliban and Saddam Hussein, bring democracy to the heart of the Arab world, withdraw troops from Saudi Arabia, and isolate Yasser Arafat have been the most risky and humane developments in the Middle East in a century—old-fashioned idealism backed with force in a postmodern age of abject cynicism and nihilism.

Quite literally, we are living in the strangest, most perilous, and unbelievable decade in modern memory. □

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What Is at Stake?

In Afghanistan the practitioners of international terrorism suffered one grievous blow. The fate of Iraq will determine whether they suffer a final blow or get back on their feet. **By Robert Zelnick.**

In 1967 the South Vietnamese held elections to pick their president and legislature. The lopsided favorite was a military ticket headed by Generals Nguyen Van Thieu and Nguyen Cao Ky. With the U.S. military and diplomatic corps paying close heed, the campaign was spirited and the debate robust. Reporters in Saigon were briefed daily on Viet Cong efforts to disrupt the campaign. But journalists who ventured into the field learned from Vietnamese contacts that the National Liberation Front was also trying to bolster the vote totals of a "peace candidate," Saigon lawyer Troung Dinh Dzu. On election day, the military ticket won but with merely 38 percent of the vote. Lawyer Dzu—with plenty of guerrilla backing—was a close second. U.S. officials were ebullient; the enemy seemed ready to trade the gun for the ballot. *Time* magazine was no less effusive, calling the elected legislature "a political scientist's dream of incipient democracy come true."

Three months later, in January 1968, the Communists launched their Tet offensive. After some savage fighting it was crushed, ending the threat posed by indigenous enemy forces in the South. For the rest of the war, regular North Vietnamese troops bore the brunt of the battle. In many skirmishes and some big battles like An Loc, the South Vietnamese forces held up well,

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But they had become psychologically dependent on U.S. help. For two years (1973–75) they carried on with no U.S. combat troops but a great deal of material assistance. When U.S. military aid was stopped as well, South Vietnamese troops quickly fled from North Vietnamese attack, and by April 1975 the war had been lost.

Iraq will not be on solid political ground until a constitution satisfactory to Shiite, Sunni, and Kurdish political leaders is written; elections for a governing legislature are held; and meaningful control by the new government is exerted throughout the country.

LIGHT AT THE END OF THE TUNNEL?

There is a lesson in Vietnam for the administration of George W. Bush—now with a fresh mandate to pursue its anti-terrorism strategy—as it confronts the question of an exit strategy from Iraq. We should not interpret baby steps (or even the occasional healthy stride) as a signal of final success. We do not need to force the insurgents to cry "uncle" before a substantial U.S. withdrawal can occur. We do not need to destroy their ability to launch an occasional suicide attack, particularly against soft civilian targets. But we must take away their ability to seize control of substantial portions of large cities, to coordinate large-scale assaults, to rally popular will to their cause, and to interfere materially with Iraq's economic infrastructure, particularly its oil base and electrical grid.

Keeping the above in mind is particularly important now in light of the recent recapture of Fallujah and the assault against Sunni strongholds in the "triangle of death" south of Baghdad. In these actions the insurgents were expelled from strongholds where they could plan and launch murderous acts of terror, gain a bit of rest, consolidate their political grip on local populations, and organize operations with supporters in other parts of the country. Iraqi forces, many fresh from U.S. training programs, reportedly fought bravely alongside their American allies. A flurry of insurgent activity, apparently designed to take advantage of distracted coalition forces, was quickly suppressed, with Persh[illegible]ish forces playing a critical role in the northern city of Mosul.

An insurgent throws a rock at a burning vehicle used by non-coalition security personnel in Mosul, January 2005. The vehicle was traveling in a convoy when it was destroyed by an explosive device planted in a parked car.

In the January 30 elections, 275 legislators were chosen to write a constitution and enact laws enabling the country to elect a government by the end of 2005. The nation's leading Shiite cleric, Ali al-Sistani, issued a fatwa urging his followers to vote. His final slate included Sunni and Kurdish representatives. Not bad for a people commentators sometimes suggest may be pathologically unreceptive to democracy.

And in Iraq, unlike Vietnam, there may be a light at the end of the tunnel. Absent from any Iraq equation is a Congress hell-bent on settling old political scores by barring all assistance or forbidding the bombing of enemy strongholds. Absent too is a powerfully armed enemy like North Vietnam, backed by even more powerful Chinese and Russian allies. If Iraq is able to get its internal act together, it is not likely to face external challenges. And,

of course, the state of the presidency is vastly more healthy today. True, George W. Bush won by an eyelash and Richard Nixon by a landslide. But Nixon could barely utter the words "peace with honor" before the Watergate scandal broke in all its fury, depriving him of first his momentum and then his office. It remained for Gerald Ford to watch in deep frustration as the North Vietnamese overran the South while the United States was barred by statute from lifting a finger, or a checkbook, to help its erstwhile ally.

In Iraq, unlike Vietnam, there may be a light at the end of the tunnel. Absent from any Iraq equation is a Congress hell-bent on settling old political scores by barring all assistance or forbidding the bombing of enemy strongholds. Absent too is a powerfully armed enemy like North Vietnam, backed by even more powerful Chinese and Russian allies.

No such frustration awaits President Bush unless he brings it on himself. Certainly many of those who complained about the Iraq campaign when it was going poorly will urge a staged withdrawal as things start to go well. The argument will be that the United States has paid a heavy price (in blood and money) to give the Iraqis a chance to govern themselves and that a successful referendum means that that day is near. But this argument misses the point. The United States *will* suffer some additional casualties, and it will cost more money to keep U.S. forces on station than it will to finance Iraqi troops. But, in a very real sense, the highest costs of the operation have already been paid in terms of fractured relationships with important allies, Arab fury, heavy expenditures of personnel and material, and deep domestic divisions. That these factors are starting to turn around was evident this past autumn in such events as the Bush reelection, the ability of U.S. forces to conduct a major operation in Fallujah without triggering a serious political backlash inside Iraq, the decision of foreign creditors to excuse 80 percent of Iraq's foreign debt, continuing cooperation by the United Nations with the upcoming referendum, and genuinely positive vibes between Baghdad's representatives and those of other Arab states at the Sharm El Sheik November summit. Further, although many Sunnis, and some outside voices, urged delaying the elections because they felt that patchy security would hold

down the Sunni vote, there were signs that some would be willing to accept positions in the new government or at least plunge into the drafting of a new constitution. This underscored the wisdom of holding the elections on schedule. To do otherwise would hand a victory to the terrorist insurgents and tax the extraordinary political patience of the Shiite majority. After all, if violence can prevent majority rule, it can also be employed to restore such rule. And a major battle between Shiite and Sunni would have been calamitous in its own right, as well as risk intervention by Iran, the neighboring Shiite power.

A streak of positive developments in Iraq should be exploited, not turned into an excuse to cut and run. Iraq will not be on solid political ground until a constitution satisfactory to Shiite, Sunni, and Kurdish political leaders is written; a governing legislature is established; and meaningful control by the new government is exerted throughout the country. It will not be on solid security ground until a well-trained Iraqi army takes the field buttressed by 150,000 or more equally competent police and civil guard forces, each with modern weapons and equipment. And it will not be on solid economic ground until its oil resources are fully protected and producing at something near 1990 (pre–Gulf War) levels. Only then can the United States begin to think of a phased pullout.

Before a substantial U.S. withdrawal can occur, we must eliminate the ability of the insurgents to seize control of substantial portions of large cities, to coordinate large-scale assaults, to rally the popular will to their cause, or to interfere with the economic infrastructure.

I have previously used these pages to warn of the consequences of an American defeat in Iraq. The other side of the coin is the leverage an American victory would provide toward resolving difficult situations in the region and beyond.

IRAN

We are now informed authoritatively that Saddam Hussein sought weapons of mass destruction (WMD) as part of his ongoing struggle with Iran for

primacy in the Persian Gulf. He had used chemical weapons with tactical effectiveness during the brutal 1980s conflict and was convinced that they had prevented his defeat. Iran's WMD programs are part of a grander design: domination of the region, with the ability to deter the United States from intervening to prevent it. The Iranians have fantasized aloud about a single nuclear bombing run to terminate the State of Israel. They are the principal supporters of the Lebanese terrorist group Hezbollah and of the Islamic Jihad, which is active in the suicide bomb campaign against Israel. Iranian aid will likely put steel in the spines of rejectionists once peace talks resume in the wake of Yasser Arafat's death.

Iran has also sought to influence the large Shiite population in southern Iraq by infiltrating substantial numbers of clerics and others into the Basra area, operating through the Supreme Council of Islamic Revolution, hoping to bring about the establishment of a Shiite-dominated theocracy modeled on Iran. The Shiites see the American presence in Iraq, Afghanistan, Central Asia, and the Persian Gulf as a direct threat and have, according to the CIA, pushed ahead with their WMD program in order to neutralize the threat of an even more active American role.

In November Britain, France, and Germany obtained a commitment from Iran to freeze work on its uranium enrichment activities short of the material needed to make a bomb. But the accord is not considered airtight, and, even if it were, it would still permit the production of plutonium at an undiscovered location. President Bush has described the current deal as insufficient. If the United States stays committed to Iraq until that difficult task is completed, it will have the credibility it needs to stare down Iran's neighboring mullahs. If not, we can soon prepare to welcome another nuclear power into the world, this one among the most radical Islamic states on the planet.

MIDDLE EAST PEACE

A successful U.S. stand in Iraq would re-create the kind of environment that prevailed in 1991 following the successful conclusion of Operation Desert Storm. With the coincidental collapse of the Soviet Union, the United States took advantage of its remarkable standing to convene a Middle East peace conference in Madrid, which led indirectly to the 1993 Israeli-PLO

agreement in Oslo. That process suffered two prodigious setbacks at Camp David and Taba and was destroyed when Arafat embraced the sickening violence of the second Intifada. Although Arafat's death opens the way for renewed talks, his rejectionist ghost will continue to haunt the process.

If the peace process is ever to succeed, the Palestinians must be convinced that a contiguous state embracing all of the Gaza Strip and most of the West Bank is worth extinguishing (with compensation) the right of Palestinian refugees to return to their pre-1948 villages inside Israel. Regional and European friends of the Palestinians must be convinced to endorse the deal. The Israeli coalition government must be willing to abandon settlements that many Jews consider the fulfillment of God's mandate to his chosen people. And all parties must have sufficient faith in the United States to believe it stands ready to enforce an agreement, not to run for cover, if the going gets tough. A U.S. administration standing behind the representative government of a newly freed Iraq will have the credibility to make stick its commitments to key Middle East players.

NORTH KOREA

U.S. policy toward North Korea under the Bush administration has resembled that of a relief pitcher with a repertoire of deliveries, each different from the jolted starter but that continue to be swatted out of sight by opposing batsmen. Ever since Assistant Secretary of State James Kelley confronted North Korea with evidence that it had been violating the 1994 Agreed Framework (in which North Korea agreed to exercise nuclear restraint in exchange for energy help and other aid and concessions), North Korea has seemed to delight in demonstrating how little the United States was truly prepared to do about it. Not only did North Korea acknowledge its misdeeds, it flaunted them, expelling U.N. monitors and dismantling monitoring equipment. North Korea most likely has continued to extract plutonium from spent fuel rods and has also used centrifuges to produce highly enriched uranium. This earned North Korea—along with Iran—a place on President Bush's "axis of evil" list, which merely increased North Korea's posture of defiance. The United States eventually assembled a six-nation contact group—China, Russia, Japan, South Korea, the United States, and North Korea—hoping that neighboring countries could add regional weight to

the initial two-party deal. Little progress has been made in the talks to date, but recent reports speak of dissension within North Korea's ruling circles, the defection of at least one prominent military figure, and perhaps some loss in the godlike status of Kim Jong Il.

From the standpoint of Washington, North Korea may be an even more difficult nuclear case than Iran. Tehran has oil money and some international pretensions, but it is a lonely power bereft of significant allies, geographically isolated, and not that difficult to hit with a surgical strike aimed at its nuclear program. North Korea may have entered the nuclear business as a hedge against U.S. attack or coerced reunification, but as those dangers fade it seems to view its nuclear program as a source of revenue for its basket-case economy. Meanwhile, reunification has faded as an issue for South Korea, which has noted the fantastically expensive German experience and concluded that the Socialist Man makes a far better neighbor than fellow citizen. Accordingly, South Korea has invested heavily in major industrialization projects north of the 38th parallel and is unlikely to link economic development to good nuclear behavior on the part of the Pyongyang. Nor is China considered likely to endorse any harsh sanctions regime proposed by Washington.

North Korea also boasts a consequential military deterrent to Washington, particularly if it has already converted its weapons-grade plutonium into actual weapons. But even if solely conventional, the physical proximity of heavily armed North Korean forces to the densely populated Seoul area could produce South Korean casualties in the millions in the event of a regional conflict. The recent South Korean decision to move its capital to Gonjiu-Yongi, 100 miles to the south, will one day reduce but not eliminate Seoul's quasi-hostage status.

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Clearly Washington faces difficult challenges in its effort to preserve the non-nuclear status of Iran and preserve or restore the non-nuclear status of North Korea. It would be simplistic and perhaps erroneous to declare Iraq the domino that will determine how these latter conflicts play out. But a disguised defeat in the form of a premature declaration of victory and withdrawal from Iraq, followed either by a calamitous civil war or a Vietnam-style

rout of allied forces, would undermine U.S. credibility beyond timely repair. Palestinian negotiators, Iranian mullahs, and North Korean decision makers would draw conclusions from the event that would in each case be inimical to the vital interests and objectives of the United States.

North Korea has seemed to delight in demonstrating how thoroughly the United States was unprepared to do anything about the North Korean nuclear program. Not only has North Korea acknowledged its misdeeds, it has flaunted them.

And what of terrorism itself? This issue is worthy of longer, separate treatment. But let us not forget that those who fly passenger planes into buildings, detonate car bombs in crowded marketplaces, destroy railroad cars, and slit the throats of hostages do so because they think they have found an efficient way to achieve political objectives. Let them achieve or think they have achieved those objectives, and they will strike again and again. Deny them those objectives and—like Abu Nidal, Carlos the Jackal, and, yes, Yasser Arafat—they will pass from the scene with their tactics widely derided and their dreams of glory miserably unfulfilled. In Afghanistan the practitioners of international terrorism suffered one grievous blow. Iraq will determine whether they suffer a second blow or climb to their feet ready to carry on the struggle. ◻

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What Democracy Assistance Is . . . and Is Not

Democracy is not an American plot. **By Michael McFaul.**

Events in Ukraine have inspired most people living in the free world. Ukrainian democrats stood together in the freezing cold to demand from their government what we citizens of democracies take for granted: the right to elect their leaders in free and fair elections. But not all observers of Ukraine's "Orange Revolution" are so elated. Instead of democracy's advance, some see a U.S.-funded, White House–orchestrated conspiracy to undermine Ukrainian sovereignty, weaken Russia's sphere of influence, and expand Washington's imperial reach. These skeptics range from Presidents Vladimir Putin of Russia, Alexander Lukashenko of Belarus, and Hugo Chavez of Venezuela to Republican Representative Ron Paul of Texas, columnist Patrick Buchanan, and left-wingers at the *Nation* and the *Guardian*.

This odd collection of critics is a little bit right and a whole lot wrong.

Did Americans meddle in the internal affairs of Ukraine? Yes. The American agents of influence would prefer different language to describe their activities—democratic assistance, democracy promotion, civil society support, and so on—but their work, however labeled, seeks to influence political

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change in Ukraine. The U.S. Agency for International Development, the National Endowment for Democracy, and a few other foundations sponsored certain U.S. organizations, including Freedom House, the International Republican Institute, the National Democratic Institute, the Solidarity Center, the Eurasia Foundation, Internews, and several others, to provide small grants and technical assistance to Ukrainian civil society. The European Union, individual European countries, and the George Soros–funded International Renaissance Foundation did the same.

In the run-up to Ukraine's presidential vote, these American and European organizations concentrated on creating conditions for free and fair elections. Western organizations provided training and some direct assistance to the Committee of Ukrainian Voters, Ukraine's first-rate election-monitoring organization. Western funders pooled resources to sponsor two exit polls.

Western foundations also provided assistance to independent media. Freedom House and others supported Znayu and the Freedom of Choice Coalition, whose members included the high-profile Pora student movement. And through their conferences and publications, these American organizations supported the flow of knowledge and contacts between Ukrainian democrats and their counterparts in Slovakia, Croatia, Romania, and Serbia. The Organization for Security and Cooperation in Europe coordinated with several other European, U.S., and Canadian organizations to mobilize a major international monitoring effort of the election process. Formally, this help was nonpartisan because the aim was to aid the electoral process. Yet most of these groups believed that a free and fair election would mean victory for Viktor Yushchenko. And they were right.

Did Americans meddle in the internal affairs of Ukraine? Yes. The American agents of influence would prefer different language to describe their activities—democratic assistance, democracy promotion, civil society support, and so on—but their work, however labeled, sought to influence political change in Ukraine.

Did the U.S. government fund the Yushchenko campaign directly? Not to my knowledge. Both the International Republican Institute and the National Democratic Institute conducted training programs for Ukrainian political parties, some of which later joined the Yushchenko coalition. But in the years leading up to the 2004 votes, American ambassadors in Ukraine insisted that no U.S. government money could be provided to any candidate. Private sources of external funding and expertise aided the Yushchenko campaign. Likewise, U.S. and Russian public relations consultants worked with the Yushchenko campaign, just as U.S. and Russian public relations people were brought in to help his opponent, Viktor Yanukovych. In future elections Ukrainian officials might enforce more controls on foreign resources. But this kind of private, for-profit campaign advice occurs everywhere now, and Americans no longer control the market.

Did American money bring about the Orange Revolution? Absolutely not. The combination of a weak, divided, and corrupt ancien régime and

A supporter of Viktor Yushchenko at a rally on Kiev's Independence Square, December 2004.

a united, mobilized, and highly motivated opposition produced Ukraine's democratic breakthrough. Westerners did not create or control the Ukrainian democratic movement but rather supported its cause on the margins. Moreover, democracy promotion groups do not have a recipe for revolution. If the domestic conditions aren't ripe, there will be no democratic breakthrough, no matter how crafted the technical assistance or how strategically invested the small grants. In fact, Western democracy promoters work in most developing democracies in the world, yet democratic transitions are rare.

Do these American democracy assistance groups carry out the will of the Bush administration? Not really. One of the greatest myths about U.S. democracy efforts is that a senior White House official carefully choreographs the efforts of the National Endowment for Democracy or Freedom House.

Although they are perhaps supportive philosophically, policymakers at the White House and the State Department have had almost nothing to do with the design or implementation of American democracy assistance programs. In some countries, they clash with one another. I witnessed this as the National Democratic Institute's representative in Moscow during the last days of the Soviet Union: "They—the U.S. policymakers—supported Mikhail Gorbachev; "we" worked with Democratic Russia, Gorbachev's opponents. The same divide is present in many countries today.

Did American money bring about the Orange Revolution? Absolutely not. It was the combination of a weak, divided, and corrupt regime and a united, mobilized and highly motivated opposition that produced the breakthrough.

Does this kind of intervention violate international norms? Not anymore. There was a time when championing state sovereignty was a progressive idea because the advance of statehood helped destroy empires. But today those who revere the sovereignty of the state above all else often do so to preserve autocracy, and those who champion the sovereignty of the people are the new progressives. In Ukraine, external actors who helped the people be heard were not violating the sovereignty of the Ukrainian people; they were defending it. □

This essay appeared in the *Washington Post* on December 21, 2004.

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Yet Another Reason They Dislike Us

Europe is rich, but the United States is richer.

By Russell A. Berman and Arno Tausch.

The heightened tensions between the United States and Europe since 2000 have been widely discussed in terms of competing foreign policy visions. The Bush administration's insistence on a robust and independent response to terrorism contrasted with the frequently more cautious European policies. At the end of the day, these complex alternatives seemed to boil down to a choice between unilateralism and multilateralism, a distinction that took on a polemical sharpness during the U.S. presidential election.

Although different approaches to terrorism, Afghanistan, and Iraq—not to mention the conflict between Israel and the Palestinians—have contributed significantly to the transatlantic distemper, there is also an economic dimension that underpins European suspicion of the United States and encourages a rhetoric of anti-Americanism in intra-European political discourse.

PERFORMANCE ANXIETY

In 2000 the European Union initiated its so-called Lisbon Process, with the stated goal of becoming "the most competitive and dynamic, knowledge-based economy in the world, capable of sustainable economic growth,

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creating more and better jobs and greater social cohesion" by the year 2010. To aspire to a more dynamic economy is hardly controversial, but the Lisbon Process was also, in effect, a unilateral declaration of competition with the United States. The race between the euro and the dollar on world currency markets added to the sense of competition between two systems that had once been considered part of an integrated "Atlantic West" in the not-so-distant years of the Cold War.

The tension between Europe and the United States has been accompanied by a rising chorus of generalized anti-Americanism in European streets, largely with the pretext of the war in Iraq but in fact based in deeper structures independent of the war. This anti-Americanism grew precisely in the years in which the newly launched Lisbon Process turned into a failure. In terms of economic productivity, job growth, and other factors, both "Old Europe" (the Western European member states before enlargement, or "EU-15") and "New Europe" (the "EU-25," including 8 former communist states along with Cyprus and Malta) are far from becoming "the most competitive and dynamic . . . economy in the world." When one thinks of Europe today, the word *dynamic* does not come quickly to mind.

By and large, Europe has not participated in the world economic expansion of 2004, especially relative to the spectacular growth in China and the growth in the United States (aided by the recent tax cuts). GDP growth in the EU-15 in 2003 was a very sluggish 0.8 percent, followed in 2004 by an unimpressive 2.3 percent. More important, however, is the long-term perspective: Europe has simply failed to reduce the productivity gap with the United States. Political rhetoric notwithstanding, Europe was never a genuine competitor, let alone a threat to U.S. economic predominance in the global economy, and Europe continues to lag behind the United States after the initiation of the Lisbon Process just as much as it did before. Since 1995, differences in economic growth have grown wider in every year except 2001.

BILLFOLD ENVY

This difference in economic performance translates into a big difference in income. When we try to understand the bitterness with which some Europeans have come to view the United States, it would be foolish to ignore

this factor. How big is the difference? Consider the latest data only for Old Europe (the wealthier Western European countries) and leave aside the much poorer New Europe still recovering from the devastation of communist policies and the difficult transitions to market economies. Even with this handicap built in, European real purchasing power is quite sorry. Between 1995 and 2004, European per capita income ranged between 70.1 and 73.7 percent of U.S. real income. With that in mind, anti-Americanism begins to look very much like basic human greed and envy.

In terms of economic productivity, job growth, and other factors, both "Old Europe" and "New Europe" are far from becoming "the most competitive and dynamic . . . economy in the world." Indeed, when one thinks of Europe today the word "dynamic" does not come quickly to mind.

To be sure, one might counter that even Old Europe includes some exceptionally poor regions (such as Greece and Portugal) that bias the results. Country-by-country comparisons provide a more detailed picture. According to United Nations statistics, per capita purchasing power in the United States in 2002 was $35,750, which was surpassed only by Luxembourg, Norway, and Ireland among E.U. nations. The two most vocal opponents of U.S. foreign policy are way down the list: Germany ranks 14th at $27,100, and France comes in 16th at $26,920. The average French citizen, in other words, earns 75.3 percent of what the average American earns. Despite the ambitions of the Lisbon Process, there is no indication that this difference is going to narrow. On the contrary, given the inability of the Europeans to carry out significant structural reforms, the gap may grow larger. Even the poorest 20 percent in the United States enjoy a higher real income than do the poorest in Italy, Spain, the United Kingdom, Greece, and Portugal.

THE SOCIAL WELFARE MYTH

A common explanation for the difference between the European and American economies is the claim that European nations provide much greater social benefits: the so-called "safety net" of various payments for health, unemployment, and retirement. American liberals typically look with

admiration at this European generosity, while conservatives focus on the deleterious consequences of the welfare state. However, this explanation of the productivity gap is not fully convincing.

The economic divide will continue to provide points of recurring irritation in relations between the United States and the European Union.

A recent study by the Chamber of Labor in Vienna—surely an unexpected source, as Austria is one of the most established and elaborate of the European welfare states—yields some surprising results. If one considers gross spending, it is true that European states spend much more than the U.S. federal government: whereas European states dedicate on average 29 percent of GDP to social welfare, Washington contributes only 16 percent. As soon as one factors in direct and indirect taxes and private charitable sources, however, the difference dwindles very quickly. Taking into account all levels of government, including the states, the difference shifts considerably in favor of the United States. Because European countries are typically much more centralized than the United States, the regional administrative units—the corollaries to our state governments—are of much less significance. Similarly, the nonprofit sector has always been less developed in Europe than in the United States. In the United States, considerable social welfare payments come through the states and nonprofits. Therefore the caricatured contrast between the socially generous European states and a neoliberal America lacking in compassion turns out to be untenable.

In fact, the comparison between Europe and the United States becomes especially interesting when the different tax structures are taken into consideration. The European states may generously pay out greater percentages of their national income in the form of social welfare benefits than does the United States, but because European tax rates are so much higher, the benefit of the higher welfare payments is sharply reduced. In fact, after factoring in the impact of the higher European taxes, and including the value of private social spending, the United States comes out slightly better. In Old Europe net total social spending comes to 24 percent of GDP, whereas in the United States the corresponding figure is 24.5 percent.

Although the after-tax impact of social spending in the United States is quite comparable to the result in the high-tax welfare states of Western Europe, the European perception of the United States nevertheless depends on this myth of American selfish heartlessness. Indeed this is one of the core pieces of anti-Americanism. When German Chancellor Gerhard Schröder campaigned for reelection, he conjured up the stereotype of nefarious "American conditions" in order to mobilize his welfare-state base. Meanwhile in France, the *L* word is largely an epithet of disdain because there *liberal* means the opposite of what it does in the United States: In France the term means *neoliberal*, a commitment to the market and the private sector, which are held in deep disdain by the French political class.

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Much discussion has been devoted to the transatlantic foreign policy differences and the deep cultural differences between Europe and the United States. As explanations for anti-Americanism, these aspects are of course indispensable. It is equally important, however, to keep in mind the quite different economic structures and levels of productivity: these differences are unlikely to change much, despite the Lisbon Process and regardless of electoral outcomes. On the contrary, the economic divide will continue to provide points of recurring irritation in relations between the United States and the European Union. ◻

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Trouble at Number Ten

Tony Blair has paid dearly for supporting George W. Bush. With Blair's public support at an all-time low, can Britain's special relationship with the United States endure? **By Gerald A. Dorfman.**

The long-standing "special relationship" between the United States and Britain, coupled with the close relationship between Tony Blair and George W. Bush, has been at the heart of post-9/11 initiatives, especially the military actions in Afghanistan and Iraq. Now that President Bush has won reelection, the political spotlight has turned toward a likely British election this spring. How will that election and its consequences affect the future of the special relationship?

The significant economic, security, historical, and cultural interests that have bound the United States and Britain into a close friendship for more than a century will remain firmly in place. That said, it is important to understand that the political fallout in Britain from the extraordinary coordination between the two nations in recent years (especially during the war in Iraq) is actually weakening the special relationship at this point. This trend is likely to continue during the next few years no matter which British political party wins the coming election.

This pessimistic forecast may come as a shock to many Americans who have come to admire Tony Blair for his steadfast support of American foreign policy since 9/11 and who consider British support in international affairs as nearly automatic. Just as most Americans could not understand how the

Gerald A. Dorfman is a senior fellow at the Hoover Institution.

much-admired Mrs. Thatcher could be ousted by her own Conservative Party colleagues, Americans cannot seem to understand that Blair is in serious political danger. But a closer look is quite revealing.

Although he is a hero to the American public, there is growing opposition in Britain to Blair's fidelity to President Bush, his foreign policy initiatives, and especially the war in Iraq. Strong opposition to the prime minister has grown in every sector of British society but especially from within his Labour Party base. Blair's troubles are not just affecting his own political future but also the views of Britons about how foreign policy is made and the whole pattern of British international relationships (especially with the United States).

BLAIR'S ROLL OF THE DICE

Blair signed on without hesitation to a very close alliance with President Bush after 9/11. He had already signaled that intention from the beginning of the Bush administration, despite his political differences with Bush and despite Blair's close friendship with Bill Clinton. After 9/11 Blair renewed this pledge and wholeheartedly embraced American policy initiatives in the war on terror, including the American initiatives leading to war in Afghanistan and Iraq.

Blair has been transformed from a towering political figure and Labour Party hero into the politician that Britons say they dislike and distrust more than any other—and, within the Labour Party membership, a leader they can't wait to be rid of.

Despite fierce disagreement from some of his Cabinet colleagues, Blair never hinted that he might harbor misgivings about his collaboration with Bush. This included very tough moments in March 2003 when Blair wanted President Bush to hold off from going to war in Iraq in order to give diplomacy more of a chance. But when the president insisted on going ahead, Blair sent British troops into battle without further hesitation.

In making the decision to join the United States in Iraq, Blair was explicitly drawing on his unusual political strength at that time. Only months before the Iraq war began, Blair led his Labour Party to a historic second straight

landslide victory in the 2001 British general election. Riding high politically, Blair took Britain into war with a decision-making style criticized by many as "presidential." Many observers criticized Blair's running of his "own" foreign policy and his running roughshod over the loud objections of some of his senior colleagues in the Cabinet—several of whom ultimately resigned in protest.

But the prime minister wagered a large portion of the political capital he had just won in the 2001 election on a bet that his alliance with President Bush would yield a quick payoff. Blair hoped to achieve the following: confirmation and destruction of Iraqi weapons of mass destruction; the ouster of Saddam Hussein (although Blair was squeamish about declaring regime change a goal because of international law issues); creation of a powerful political impetus in the Middle East toward solving myriad problems, including the Palestinian-Israel crisis; securing the Middle East oil supply; establishing a semi-permanent physical presence in the Middle East that could project power in the region; and enhancing his own personal leadership stature. In fact, Blair hoped that a quick victory in Iraq would cement his role as a European leader who could bridge the often-contentious gap between the United States and important dissenting European allies. Blair very much hoped (though he never stated so publicly) that he would be named the European Union's first president under the new EU constitution.

Just as most Americans could not understand how the much-admired Mrs. Thatcher could be ousted by her own Conservative Party colleagues, most Americans cannot seem to understand that Blair is in serious political danger.

But now, two years after the beginning of the Iraq war, Blair finds himself in almost opposite circumstances. No weapons of mass destruction have been found; there has not been a quick victory or exit from Iraq; no solutions to the myriad other problems plaguing the region have been achieved; he failed to be effective as a bridge between the United States and dissenting Western allies (in fact the relationship has worsened); he is even less likely than earlier to emerge as an EU president. Perhaps worst of all for Blair has been

his transformation from a towering political figure and Labour Party hero into the politician that Britons say they dislike and distrust more than any other and, within the Labour Party membership, a leader they can't wait to be rid of.

Tony Blair had hoped that a quick victory in Iraq would cement his role as a European leader who could bridge the often-contentious gap between the United States and important dissenting European allies. That quick victory never took place.

There is a widely held view in Britain—rightly or wrongly—that Blair allowed himself to be "hijacked" by the Bush administration because he was blinded by his own ambitions. Once ensnared, his critics reason, Blair could not find a way out of his entanglements with the Americans when it became obvious that events were going wrong. He remains as prime minister and Labour Party leader because the opposition Conservative Party continues to be so weak that it doesn't look able at this point to mount a serious election challenge in the spring. The Conservatives still suffer from their strong support for Blair's foreign policy, especially the Iraq war, and they still carry the baggage of the failed government during the 1990s that led to their landslide 1997 election loss. Because Labour members of the House of Commons do not fear the loss of their own seats in the upcoming election, they continue to tolerate Blair's incumbency rather than risk a destructive pre-election leadership battle. But once the election is over, whether Labour wins or loses in an upset, the leadership struggle will begin in earnest even if Blair continues to insist that he is staying on for a third full term.

GROWING DISCONTENT

Regardless of whether Blair continues as prime minister for a while longer, or whether a new Labour leader (such as Chancellor of the Exchequer Gordon Brown) quickly becomes prime minister, or even whether Conservative leader Michael Howard pulls off a big election upset, British foreign policy-making will change with respect to style and substance. The United States will remain Britain's closest ally, but Britain will be more skeptical and hesitant

about embracing American initiatives and about committing its military to war. Britain will be more insistent that diplomacy be allowed to run its course, that a greater effort be made to build solid and credible coalitions, and that its junior-partner status in its relationship with the United States be improved.

Britons have resented, sometimes bitterly, that the Bush administration does not appear interested in reciprocal support for Britain's agenda in international affairs. This imbalance was vividly on display at the White House in November 2004, when Blair was the first foreign leader to visit President Bush after his reelection. Blair came armed with an agenda that he wanted the president to endorse. Although the president generally agreed to support most of Blair's "wish list," his comments at their joint news conference were restrained and open-ended—and did little to give the impression that Blair was being rewarded for his costly support during difficult days and certainly did not dispel the caustic complaint in Britain that Blair is Bush's "poodle."

Britons have resented, sometimes bitterly, that the Bush administration does not appear interested in reciprocal support for Britain's agenda in international affairs.

Given this discontent, there is already some refocusing of British foreign policy on Europe. Blair, or his successor, will want to work harder to repair the damage in Britain's relations with France and Germany. British ambivalence about strong European ties (despite its EU membership) runs deep and strong in the national psyche. Opposition to the adoption of the euro as Britain's currency remains overwhelming, as does any thought of surrendering the power of British governing institutions to EU sovereignty. But the idea of working with European partners on foreign policy and security issues is gaining favor. Britain is not only unsatisfied with its relationship with the United States, it is painfully aware that its image has slipped in Europe. In fact, there is a sense that, by taking the American view entirely in recent years, the British have given France and Germany an open field in which they could press their views on the European community as well as establishing greater influence with the slew of new EU member nations.

Finally, there is the matter of Blair's "presidential" style of foreign policy-making, especially with respect to the commitment of British troops. Blair had been criticized from the beginning of his administration about how little attention he paid to the views of both his Cabinet and his colleagues in the House of Commons. It has been a constant complaint over the last century that prime ministers are increasingly more powerful than even their most senior Cabinet colleagues. But Blair has taken prime ministerial dominance to a higher level, armed with his huge parliamentary majorities.

The dynamic at the moment is in the direction of restraining prime ministerial power, especially in the foreign policy area. All three major political parties seem committed to this change. The incumbent Labour Party expresses this change by harkening back to its traditional collective leadership, and the most prominent competitors to replace Blair as party leader are wooing their intra-party electorate with promises to return to "real" Labour governance. Even the Conservatives—who have always armed their leaders with power both in and out of office—are talking about collectivity and consensus-seeking. Whereas Americans revere their system of checks and balances, allowing for presidential power, the British cherish their parliamentary democracy with its fusion between Parliament and the government of the day, which is accountable to it.

The special relationship will remain special for as far as the eye can see. But the initiatives taken up by President Bush and Prime Minister Blair, especially the war in Iraq, have spawned a political backlash in Britain that will certainly restrain the power and policies of future prime ministers in foreign affairs—at least for the next few years. ◘

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China Goes South of the Border

Chinese president Hu Jintao has spent more time in Latin America than George W. Bush. What are the Chinese up to? **By William Ratliff.**

Now that Chinese president Hu Jintao has consolidated military as well as political power in his own hands, China has accelerated its domestic programs for economic development and military modernization and expanded its role on the world stage. All these objectives are closely interrelated. An official Chinese *Defense White Paper* released in late December said that one of the country's five basic tasks today is "to pursue an independent foreign policy of peace and adhere to the new security concept featuring mutual trust, mutual benefit, equality and coordination with a view to securing a long-term and favorable international and surrounding environment." In pursuit of this objective, toward the end of 2004 President Hu and Premier Wen Jiabao traveled from Southeast Asia to Europe to Africa to Latin America, conducting an impressive campaign of politics, business, and charm.

Hu's longest international trip was in November 2004 to four Latin American countries and the Asian-Pacific Economic Cooperation (APEC) forum. Some commentators say he used the "back door" to slip into what Americans have for almost two centuries considered their exclusive sphere of influence. But although going in by the *houmen* (the back door) is a common practice in China, it is not at all what Hu did on this visit to the Western Hemisphere. He toured with a large delegation of Chinese businesspeople as the president of the world's most populous and rapidly growing country, with much

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fanfare, visiting a major area of the world the Chinese think will play an increasingly significant part in their long-term domestic and international strategies. Hu spent almost two weeks in Brazil, Argentina, Chile, and Cuba—more time than George W. Bush spent in all of Latin America during his first four-year term as president. Indeed, Hu's predecessor, Jiang Zemin, took two long trips to Latin America, in 1993 and 2001, and in all probability spent more time there than any serving U.S. president in history. Even more than Jiang before him, Hu went in by the front door, and one of the main messages of his trip was that Chinese leaders intend to continue doing so from now on.

In November, Hu visited South America's two largest countries and promised tens of billions of dollars in investments and trade—notably without lectures on drugs or terrorism.

GRUMPY UNCLE SAM AND AFFABLE HU

Hu's trip must be seen in the context of the current political and economic conditions of the region. Predominant among these is almost continent-wide frustration with the alleged market reforms undertaken during the 1990s, whose failures a high percentage of Latin Americans blame directly (and generally demagogically) on the United States. In addition, U.S. policy in Iraq is almost universally condemned, and the war on terror, the signature policy of the Bush administration, is perceived by many in Latin America (and in China) as in part a cover for U.S. global expansion and unilateralism. A minor incident at the APEC forum in Santiago, Chile, attended by Hu, Bush, and many other world leaders, served to fortify the region's perception of Washington as shoving other countries around. The American president got into a widely reported (and highly ridiculed) scuffle with Chilean security personnel. On his way home from his brief visit to Chile, Bush stopped in only one other country and for only a couple of hours: Colombia, to strategize on the drug war.

Since the Monroe Doctrine was formulated in 1823, Washington has proclaimed the Western Hemisphere off-limits to "outside" powers. This doesn't mean the United States has always enforced this restriction or itself

consistently taken a serious or constructive interest in the region. To be sure, investments and trade with Latin America are greater than those with any other region of the world, but, although important, they are not government relationships. When campaigning for the presidency in 2000, George W. Bush pledged that his administration would take Latin America seriously, in contrast to the administrations of Bill Clinton and most previous U.S. presidents. Bush did not follow up on his pledge, however, presumably largely because of the post-9/11 emphasis on terrorism. Despite the busy schedule of U.S. trade representative Robert Zoellick, and the dumping of additional hundreds of millions of dollars into the drug war in Colombia, the last four years have seen U.S. prestige nosedive in most of the region. The perception in much of the hemisphere is that the United States is interested only in terrorism, drugs, and self-serving trade. In Latin America and beyond, Chinese leaders have actively sought to create a very different image, with substantial but by no means complete success.

A recent poll shows that China has a positive image with 63 percent of Argentines—a full three times more than those with a positive image of the United States.

Before arriving at the APEC forum, Hu Jintao visited South America's two largest countries and there and elsewhere signed letters of intent promising tens of billions of dollars in investments and trade, though these are more proposals than firm investment decisions. Subtly yet obviously picking up on the region's underlying frustration with and distrust of the drug-and-terrorism-obsessed Americans, Hu generally came across as a friend of all countries trying to "catch up" in a world of glaring inequalities. Without saying so explicitly, he reminded Latin Americans that China was overcoming its past and thus, though he did not say so, offered a kind of developmental model for less-successfully-developing countries. He suggested that the well-being of the region and the world depended above all on economic growth and more diversity in international centers of power of all kinds and that closer Sino–Latin American ties would contribute positively to both. This point was reiterated in the *Defense White Paper,* which said one of the major

problems of the day is "the prolonged existence of uni-polarity vis-à-vis multi-polarity" in the world. Many Latin Americans strongly agree with this position.

Hu told members of Brazil's National Congress that China's primary objectives in expanding relations in Latin America are to (1) strengthen strategic common ground and enhance mutual political trust; (2) tap potential for economic cooperation in a practical and creative way, from expanding trade to cooperating in high technology and industry; and (3) expand cultural exchanges to deepen mutual understanding.

POLITICAL OBJECTIVES

Although most media reports on Hu's activities focused on economic promises and agreements, it was no accident that the Chinese president put strategic and political goals at the top of his list. China's agreements with Latin American countries specifically note strategic and other interests between and among developing countries that have similar histories and challenges, domestically and vis-à-vis the developed nations. Hu pledged that he will "forever stay on the side of developing countries."

China's upbeat campaign in the Americas, and the country's willingness to develop mutually beneficial economic relations, is also intended to weaken Taiwan's international position. The first Latin American country to grant diplomatic recognition to China was Cuba in 1960, the year after Fidel Castro took power. Since the 1970s most Latin American countries have switched their recognition from Taipei to Beijing, but more than a dozen small Latin American/Caribbean nations still have full diplomatic relations with Taiwan, generally in exchange for generous economic assistance. China is trying to chip away at that dozen.

More-specific political gestures during Hu's trip included his support for Brazil's bid for a permanent seat in a potentially expanded United Nations Security Council. This support, and Hu's very presence in the country discussing China's already substantial and rapidly expanding bilateral links, gave substance to Brazilian president Luiz Inácio Lula da Silva's effort to raise his country's status in the hemisphere vis-à-vis the United States. Hu's second stop was in Argentina. A poll in the Buenos Aires paper *La Nacion* showed that China has a positive image with 63 percent of Argentines—a

full three times more than those with a positive image of the United States! Thus Hu's visit to Argentina, with billions of dollars to invest, became a friendly pledge of Third World solidarity and inevitably a kind of jab at Washington because many or most Argentines incorrectly but fervently blame their economic collapse in 2001–2 on the United States. By visiting Chile and launching bilateral trade negotiations, he recognized Beijing's very close and complementary interests with that country, which has not forgotten having to wait more than a decade after the signing of the North American Free Trade Agreement for special economic and other recognition from Washington.

Promoting political ties through cultural links is another of Hu's efforts to advance mutual understanding and support. Programs already under way range from vigorously encouraging tourism in both directions to converting Macao, which returned to Chinese control in December 1999 after 442 years as a Portuguese colony, into a kind of cultural bridge between China and the Portuguese-speaking world, especially Brazil.

ECONOMIC OBJECTIVES

Much international attention has focused on the rapidly expanding economic ties between China and Latin America, and much has correctly been made of China's need for raw materials (ranging from copper, oil, gas, and ore to soybeans and other agricultural products) and Latin America's ability to supply many of them. China is clearly emphasizing trade and investments in energy resources, both because its need for energy and other resources is growing explosively and because it wants to reduce its degree of dependence on sources in the volatile Middle East.

But Latin America is also unstable, if in a different way, for economies in the region are quite unpredictable. For example, the Latin American/Caribbean economy as a whole is said to have grown by 5.5 percent in 2004, by some calculations the region's best performance in many years. But the growth is based primarily on external factors, and given Latin America's history of relative booms and busts, a good record in 2004 does not necessarily signal continuing improvement or significant benefits for the bulk of the population. Some in the region are hoping that Chinese money may help stabilize things. Because China has something like $500

billion in foreign exchange reserves, and Latin America is deeply in debt and increasingly in need of foreign investment, China has much to offer in exchange for the natural resources it needs. Trade between China and Latin America increased nearly sixfold between 1993 and 2003, and it has more than doubled in the past three years alone, to $26.8 billion in 2003. China expects its total investments in Latin America to double in the next six years, and specialists say bilateral trade should reach $100 billion by 2010.

Beijing continues to develop ties to Havana both to support a fellow "socialist" country and to jab the United States for its deep involvement in Taiwan.

Thus China may be poised to become one of Latin America's foreign economic engines, if its promises become realities. On his trip, Hu pledged a $10 billion investment in Brazil (mainly in transportation, iron, and steel) over the next two years; by way of comparison, current U.S. investments in Brazil are approximately $30 billion. The Chinese delegation promised nearly $20 billion in investments in Argentina (mainly in railways, energy production, infrastructure, and housing) over the next decade, which if it comes off is the largest bilateral economic accord for Argentina since its economy collapsed.

Chile occupied a special place in Hu's tour because it is the only Latin American country that has a fairly sustained record of economic development, somewhat similar to China's. During Hu's visit, the two countries announced the beginning of negotiations to bring about China's first bilateral free trade agreement in Latin America. Several other Latin American countries have expressed interest in such agreements with China, but Beijing is testing the process with Chile, which already has such agreements with many other countries and thus is more experienced than China. If an agreement is reached by the target date of December 2005, or later, it will smooth the way for China to import still more copper from Chile and at the same time teach Beijing how it can more effectively negotiate free trade agreements elsewhere in Latin America and beyond. Meanwhile, bilateral trade volume between China and Chile is expected to reach $10 billion within the next four years.

Hu got a political as well as an economic boost from Brazil, Argentina, Chile, and Peru when all recognized China's status as a "market economy," which China hopes will help shield it from possible dumping charges in the World Trade Organization. Business groups in Brazil, Argentina, Mexico, and other countries have, however, expressed deep reservations about this relationship to China, fearing they will not be able to compete with Chinese imports.

Latin America may be lifting itself out of a long recession, and China is poised to become one of the main economic engines of the region's recovery.

China is already actively competing for resources and markets with many other countries, from South Korea to the United States. A specific example is Venezuela, the third most important supplier of oil to the United States. Venezuelan president Hugo Chavez, a close ally of Fidel Castro and thorn in the side of the United States, visited China (for the third time) in December and signed agreements intended to "diversify" his country's oil exports, 60 percent of which now go to the United States, but not, he said, to end shipments to the States. Chinese companies will invest in exploration for oil, setting up refineries, reactivating 15 mature wells, and producing natural gas. Chavez says bilateral trade will double to $3 billion annually by the end of 2005. China will also sell Venezuela radar equipment for its borders and a satellite Chavez says will give his country "full sovereignty" in telecommunications.

For perspective, trade volume between China and Latin America in 2003 was less than 3.4 percent of China's total international trade, although the raw materials coming in and expected from Latin America in the future are mostly necessities for a growing Chinese economy. By contrast, China is one of the largest trade partners in the world for some Latin American countries: for example, China is Brazil's second-largest individual market and Chile's largest after the United States and the European Union. And for Latin America almost all trade balances are positive.

Some Chinese military officers have visited their Latin America counterparts over the years, including meetings between Chinese defense minister

Chi Haotian and officers in Colombia, Venezuela, and of course Cuba, discussed more below. But Chinese leaders do not wish to provoke the United States frontally, and nothing seems to have happened to make Washington particularly apprehensive. Reports of arms deliveries to Cuba several years ago turned out to have been inflated, and charges that China was taking over the Panama Canal after the United States left in 1999 were never proven. As noted above, China has just made commitments to Venezuela, and in late 2004 China officially deployed its first security personnel in the hemisphere, about 125 riot police to the seriously understaffed United Nations peacekeeping mission in Haiti. Finally, China has an active space program with Brazil, which launched its first satellite in 1999. According to high-ranking Brazilian officials, a joint program could not be worked out with the United States because Brazil lacked the money to help fund it. The cooperation with China provided an alternative because costs are paid in products.

CUBA: A SPECIAL CASE

Bilateral relations between China and Cuba were hostile during much of the Cold War, but goodwill has soared in the past 15 years. Jiang Zemin visited Cuba twice, and Hu's visit in 2004 was designed to strengthen China's relationship with Fidel Castro and other Cuban officials in this friendly but economically and politically stagnant nation. Chinese and Cuban sources report trade of $400–$600 million in recent years. Although Cuba is of little economic importance to China, except for its nickel production, China is Cuba's third-largest trading partner in the world (after Venezuela and Spain). During Hu's visit, China extended four interest-free loans (granted in the early 1990s) for another 10 years and donated $6 million to Cuban hospitals and clinics and an equal amount for school uniforms. The two countries signed agreements strengthening links in many fields, including biotechnology, offshore oil prospecting, mining, tourism, and telecommunications. China is also quietly cultivating post-Fidel leaders in Cuba, many of whom have expressed interest in jump-starting Cuba's moribund economy by carrying out Chinese-style economic reforms as soon as the Maximum Leader is gone.

China sees a kind of parallel between Cuba and Taiwan. Beijing claims Taiwan as part of China, a position also officially held in Taipei and Washington.

Over China's strenuous objections, Washington nonetheless sells billions of dollars of sophisticated arms to Taiwan. In this hemisphere, however, although no one today claims Cuba is part of the United States, Washington objects when China provides even rudimentary arms to the island. Thus, Beijing cultivates ties to Havana both to support a fellow "socialist" country and to jab back at the United States for its deep involvement in Taiwan. Trade-offs may also be under way. Reports have surfaced over the past five years that the Chinese operate intelligence facilities at Bejucal near Havana, which may well be exaggerated, if true. If such activities are under way, Washington is very silent about them, and one may speculate that the United States may be tolerating a degree of Chinese intelligence activity in Cuba in exchange for China's quietly permitting the United States to continue surveillance flights along the coast of China. These flights shook up the Bush administration in early 2001 when an EP-3 reconnaissance plane was forced to land on a Chinese island in the South China Sea.

BUTTING HEADS WITH THE UNITED STATES?

Chinese foreign minister Li Zhaoxing summed up what China says it can do for Latin America when he said that "China's economy will realize sustained, rapid and sound development and China's peaceful development is bringing great opportunities to the world." Many countries recognize that reality, and many already benefit (and some suffer) from it. Most Latin American countries, having great trouble moving much beyond supplying raw materials, seem to figure they might as well cash in on China's explosive demands and substantial reserves, as they did in the past when Europeans demanded Peruvian guano and Argentine beef. Occasionally Latin America may produce something more sophisticated for the foreign market, such as Brazilian Embraer aircraft.

How should the United States respond to these expanding Chinese activities in Latin America? We should watch them carefully, but until a real threat occurs we should see this increasing involvement as the normal, even inevitable, result of the Middle Kingdom's prolonged domestic development and emergence as a world power. Unless China suffers a catastrophic domestic collapse, which is possible but not likely, Beijing's leaders will continue to develop ties worldwide, as the United States continues to do in

China's neighborhood, from Japan to Central Asia. Indeed, as Chinese influence expands in the region, Latin Americans will become increasingly suspicious of Beijing's motives and the more demagogic of the region's leaders will begin blaming their own repeated failures on the Chinese as well as on us. Americans who already fear and condemn China's policy in Latin America would do better to focus their attention on improving U.S. policies and image in the region. Of course we must continue to combat terrorism worldwide, more creatively perhaps than in the past, and we should completely revamp our drug policy. But we should also do what President Bush promised during his first campaign for president, that is, take Latin America more seriously and go beyond terrorism, drugs, and trade that tends to benefit mainly the United States and Latin America's elites. The challenge for the United States and China will be to keep the inevitable competition as friendly (or at least non-hostile) as possible. ◻

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Great Debates

The creation of the new Afghan constitution was rife with conflict. Will it bring peace to this long-suffering country?

By J Alexander Thier.

Before I left for Afghanistan to help develop a new constitution in 2002, I gathered three books. The first was *The Constitutions of Afghanistan.* There have been seven constitutions since the first one in 1923, each representing an abrupt political shift. You don't have to be a constitutional scholar to know that changing the constitution every decade is not a recipe for stability. These constitutions held lessons about past successes and failures, about important compromises and uncompromising extremism. None of these constitutions had been fully implemented, and I knew confidence in a new constitution would be hard-won.

The second book was *The Federalist Papers,* that brilliant compendium of essays about the nature and structure of government written by James Madison, Alexander Hamilton, and other Founding Fathers. These essays—essentially op-ed pieces, written to promote popular support for the draft constitution of the United States—discuss the inherent factionalism of politics and how effective democratic institutions harness rather than succumb to the power of competition. They describe an interdependent web of institutions that balances competing interests. Afghanistan is nothing if not factious. Having witnessed four years of Afghanistan's devastating civil war

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in the 1990s, I knew that eliminating competing interests was not possible—that's what the last three decades of war and upheaval had been about. Instead, these interests would have to find a voice in the new political system and learn to coexist with other interests.

The third book was Joseph Ellis's *Founding Brothers,* which describes the great debates that went on during the deliberations that led to the U.S. Constitution.

The message of the book is one of great success, and great failure. The book describes a tense period during which the failure to create the Union seemed all too possible. There was tremendous animosity between some of these "brothers," and issues such as slavery proved too divisive to tackle. In the end, compromise was achieved by addressing those issues that could be resolved, and setting aside those issues that could not. The great success, of course, was the creation of a federal system with a potent, but circumscribed, center and a series of checks and balances that would keep that center stable. The great failure was slavery, a grave evil that, left unresolved, nearly destroyed the Union.

Largely because of the divisiveness of the civil war period, Afghans are very wary of federalism, fearing that it means warlord control. Most Afghans feel that power must first be concentrated in the center.

Afghanistan in 2002 faced three weighty issues, each with the potential to undermine the creation of a stable, democratic state: regional versus national interests, power sharing at the national level, and the role of religion in the state. It was clear that without compromise on each of these issues, the prospects for consolidating the state remained dim.

For nearly two years I discussed, debated, and agonized over these issues with Afghans of all stripes. In December 2003, more than 500 Afghans gathered in Kabul to debate and ratify a new constitution. This constitutional convention, or Loya Jirga, approved the new constitution on January 4, 2004. The following are some of the debates that I saw emerge along the way.

WHOSE TAXES, WHOSE BUDGET?

In 2002 I flew to Herat, the regional capital of western Afghanistan, which at the time was controlled by Ismael Khan, the "Warlord of the West." Khan had led the mujahideen resistance against the Soviets in western Afghanistan in the 1980s, and from 1992 to 1995 he ruled a fiefdom in Herat during the civil war, until he was ousted by the Taliban. Khan quickly returned to power in Herat with U.S. assistance in 2001 after the fall of the Taliban.

In 2002 Herat was orderly and booming by Afghan standards. Trade from Iran and Turkmenistan was filling the coffers of Khan and the city's

merchants. Public works projects were bringing electricity and irrigation and creating roads and even parks. Motorists actually obeyed the neatly uniformed traffic police, and truckloads of armed Afghan militia careening through town—a fixture of other Afghan cities—were seldom seen.

I met with Khan in his hillside palace. Here was a man who collected an estimated $5–$10 million a month in customs revenue, which he refused to turn over to the central government, and maintained his own army, which was far larger than the new Afghan National Army being created in Kabul.

I expected Khan to argue strongly for regional power sharing, but he didn't. Instead he argued for burden sharing. Khan railed against a corrupt central government that keeps—and which historically kept—everything for itself. He argued that he was spending the money he collected on Herat, where it belonged. Although other political and social figures in Herat may have lamented Khan's authoritarian control, they supported his thesis that the central government took more than it gave to Herat.

The Afghan Supreme Court is unaccountable and flouting the law and the new constitution.

The central government meanwhile argued that Herat was taking far more than its share and that although the revenues generated at the international border were collected in Herat, they belonged equally to all Afghans. Kabul didn't have much money to send to Herat because the government simply doesn't have many sources of revenue outside international assistance—over which it has very little control. Furthermore, Afghan law required Khan to turn over the revenues, and thus he was flouting the law.

FEDERALISM?

Karim Khalili is a vice president (one of four) in the interim government and a leader of the Hazara minority group that occupies central Afghanistan. The Hazaras, Afghanistan's third-largest ethnic group, are by far the poorest and most discriminated against of Afghanistan's major groups. They are a double minority in Sunni Afghanistan, being adherents of Shia Islam with distinctive Mongolian features. Subjugated into the Afghan kingdom by force in the nineteenth century, the Hazaras have had a fairly rough ride since.

In the civil war of the 1990s, Afghanistan fragmented, and for the first time in a century the Hazaras had a degree of political autonomy, guaranteed by the force of arms. During this period, several Hazara figures began to argue for a federal arrangement in Afghanistan under which they would be guaranteed their basic rights, including freedom of religion. In the late 1990s, however, the Hazaras faced extreme persecution under the Taliban. I visited Vice President Khalili to see where he stood on the question of federalism, now that a constitutional process was at hand.

Khalili wanted to discuss minority rights, not federalism. Largely because of the divisiveness of the civil war period, Afghans are very wary of using the word *federalism*, fearing that it means ceding Afghanistan's various regions to warlord control. Although no local leaders spoke openly about a desire for out-and-out independence, fragmentation had effectively created mini-states during the war, with different regions requiring separate visas and even printing their own currency. Thus most Afghans fear that a federal state means division and dysfunction and that power must first be concentrated in the center, draining the illegitimate power from the warlords, before legitimate power can devolve.

To most Afghans, political parties, required for a strong parliamentary system, are anathema. Political parties had never been legal in Afghan history, and most people associate them with the warring factions of the civil war.

Khalili, like other regional leaders, was sensitive to these charges. His constituents were reluctant to cede political control to an unknown future central government, in that their historical experience with the centralized state had been largely negative. But the Hazaras have even less to gain from a divided Afghanistan. Their region is poor and isolated, and years of Taliban subjugation have left them feeling undefended. Thus Khalili reasoned that his region would benefit from a close relationship with the central government and that he would guarantee rights and resources for the region by fighting for high-level representation in Kabul. If that weren't possible, he seemed to take some small comfort from the fact that the central government was weak and would likely remain so for years to come—unable to subjugate the regions to its authority.

EQUITY VERSUS EFFECTIVENESS

Arriving at a gathering of Afghan human rights activists, I ducked into the low mud-brick building to find them already deep in debate. This group, which had come from various provinces for training in Kabul, had reserved the afternoon for a discussion of the constitution. Working on human

rights in Afghanistan was neither particularly easy nor rewarding. These men and women—often working at great risk to themselves—are missionaries for human rights and democracy in hostile territory. They were both idealistic and pragmatic. They wanted to discuss the possible, but were fully capable of appreciating the probable.

A constitution itself says nothing unless it is truly a distillation of shared values and political compromise.

The topic they spent the most time on that day was how power should be shared at the national level. Should Afghanistan have a parliamentary system, where the legislature would elect a prime minister accountable to the parliament? Or should they choose a presidential system, with a directly elected president and an executive branch independent of the legislature. A parliamentary system would more likely produce a coalition, ensuring that the executive would be controlled by a majority and that there would be broad ethnic representation. Coalitions, however, are often unstable, and a compromise leader may be chosen because of weakness instead of strength. A presidential system, by contrast, would produce a more unified executive, who should be able to act more effectively. But such a system could produce a president who represented only a fraction of the population. Afghanistan has had virtually no history with an independent legislature or judiciary, and previous Afghan presidents were autocrats.

The memories of the civil war were foremost in the minds of the activists. Political parties, required for a strong parliamentary system, are anathema to most Afghans. Political parties had never been legal in Afghan history, and most people associate them with the warring factions of the civil war. Most of the activists recognized that a parliamentary system, if it functioned well, would provide broader representation to Afghanistan's many ethnic groups. However, the possibility of serious division in the parliament and warlord interference in the elections weighed heavily on their minds. Even though the country had suffered through unrepresentative and despotic presidents, the civil war made a weak center seem more threatening than a strong one. Ultimately, however, most of the activists concluded that the

best way to guarantee rights in Afghanistan's immediate future would be to have a strong center. With Hamid Karzai at the helm and the international community involved, they felt that a central government had a better chance of protecting citizens and promoting democracy than the warlord-controlled regions. In the long term, a more broadly representative system would probably be better for a polyethnic country like Afghanistan. But, under the current circumstances, one effective leader who could bring the country together was a better gamble.

THE ROLE OF ISLAM

The word for constitution in Dari (Afghan Persian) is *kanoon-asasi* (fundamental law). For many Muslims not familiar with the purposes of a constitution, this meaning sounds like an affront to Islam. At delegate elections for the Loya Jirga, one representative stood up and decried the whole undertaking: "What is this about another fundamental law? The Koran is the fundamental law. Let those who have things to say against the Koran come forward."

The role of Islam in the state and laws of Afghanistan has a complex history. In the 1880s, when the state first began to consolidate, Islamic law was the law of Afghanistan. Judges were essentially clerics who ruled using their interpretation of religious law rather than any official source. Then, as the state grew, two legal systems and two court systems were created: one for religious law and one for state law. Gradual reforms from the 1930s to the 1960s led to a sea change in the 1964 constitution in which the legal systems of the country were united. Laws were now to be passed exclusively by a legislative process. Islam would serve as a basis for laws and laws could not be contrary to the principles of Islam, but Afghan law was no longer "Islamic law" but state law with Islamic origins. This delicate balance was in line with gradualist democratic transformations in other Islamic societies.

But this experiment with democratic modernization in Afghanistan collapsed in the 1970s after a series of coups set off a war between elite urban Communists (eventually backed by the Soviet military) and Islamists who drew support from a traditional and highly conservative rural population (and foreign anti-communist, anti-Soviet funding). The earlier political and legal compromise was decimated by extremist elements on both sides. The

Taliban, in consolidating its ultra-fundamentalist regime from the chaos of post-Soviet Afghanistan, ratcheted the Islamic bar so high that, by 2002, even the chief justice of the Supreme Court was arguing that the Koran was the constitution of Afghanistan.

Thus the debate about the role of Islam and government in 2003 was more conservative than it had been in 1964. One day, while working to draft a law that would determine the structure and function of the judiciary, I got into an argument with an Afghan colleague of mine who insisted that all judges in Afghanistan must be Muslim because the president would be Muslim and that the power of judges flows from the head of state according to Islamic jurisprudence. Although disturbed that non-Muslims couldn't be judges (99 percent of Afghans are Muslim, making the issue unlikely to surface), I was more concerned that judicial independence from the executive couldn't exist under his view of Islam.

Judicial independence is a bedrock principle of the separation of powers critical to democratic consolidation, one that I hoped would be strengthened, rather than weakened, under the constitution.

But judicial independence without judicial responsibility or accountability can be equally dangerous. In the lead-up to the constitutional convention, the fundamentalist cleric at the head of the Supreme Court and his backers were pushing changes that would make the judiciary very powerful. They wanted the Supreme Court to have the power of judicial review—the ability to declare laws or government acts unconstitutional. This power is a regular feature of modern democracies, but with the prominent role of Islam in the constitution, it comes with a twist. Because the constitution would likely say that no law could be contrary to Islam, the court would have the power to declare laws unconstitutional on the basis that they were un-Islamic. The Supreme Court would thus become a clerical body imbued with religious authority.

EPILOGUE

My small library served me well in interpreting the constitutional convention and its outcome. The enduring message of each book is that context and compromise matter far more than empirical notions of right and wrong. A constitution itself says nothing unless it is truly a distillation of shared values and elite political compromise.

The delegates to the constitutional convention were deeply engaged in these timeless debates. A friend of mine, a liberal lawyer and publisher from western Afghanistan, sat arguing through the night about law and Islam with his turbaned bunk mate, a religious conservative from eastern Afghanistan. But these crucial debates did not receive their due on the convention floor. The short-term interests of key players prevented a serious examination of the historical implications of their decisions. Backroom dealing short-circuited the process of meaningful compromise as the interim government and its international backers tried to ram through a sloppy, last-minute draft constitution. On the convention floor the mujahideen and religious conservatives hijacked the debate through intimidation. The chairman of the convention took to calling opponents infidels, and a bloc of more than 200 frustrated ethnic minorities briefly boycotted the convention.

So how did each of our stories play out?

Ismael Khan, the Warlord of the West, was the biggest loser in both structural and practical terms. Provincial authorities were given no local control over budgetary or political matters. On paper, the central government holds all the cards, appointing provincial governors, controlling the budgets, and maintaining the national army and national police force. This wishful thinking ignores the reality on the ground; power is disbursed throughout the country, protected by interests, grievances, and the force of arms. There is only the most general language about distributing national wealth among the regions. In the end, regional leaders were given very little to allay their fears about future domination by an unrepresentative central government. Khan, the most potent symbol of resistance to central government authority, fared even worse. In September 2004, one month before the first presidential elections, he was removed from power by the Afghan government (with U.S. military backing) during a crisis with a regional rival.

Vice President Khalili, the Hazara leader who took a middling path, got middling results. Power sharing within the national government was concentrated in a U.S.-style presidential system—handcrafted for President Karzai. Although there are protections for minorities in the constitution, such as recognition of language and ethnic diversity, and the Hazaras received a new province, gerrymandered for their benefit, the central government has neither the capacity to enforce rights nor the balance of powers to restrain the discriminatory abuse of power. The personal outcome for Khalili was also mixed. He was one of Hamid Karzai's running mates in the first presidential elections in 2004 and is now vice president of Afghanistan. However, another Hazara leader, Mohammad Mohaqeq, ran against Karzai and won most of the Hazara vote, pointing to the desire of Afghanistan's ethnic minorities to be both included and autonomous.

The religious fundamentalists may have come out the strongest, winning three critical battles. First, the language in the constitution that requires Afghan law to be in accord with Islam was strengthened. In the 1964 constitution, laws could not contradict the "basic principles" of Islam. In the new constitution, Article 3 states that laws cannot contradict the "tenets and provisions" of Islam, a formulation suggesting a much stricter adherence to Islam. Their second victory is the broad authority given to the Supreme

Court to review laws and treaties for their compliance with the constitution. When this power is combined with Article 3, the Supreme Court has the power to reject laws and treaties on the basis that they are un-Islamic.

With the wrong court, these powers could become a dangerous weapon in the hands of extremists intent on using Islam as a bludgeon to control Afghanistan's political development. Sadly, that court is already in place. The chief justice is the former head of a madrassa (religious school) in Pakistan—the type of institution from whence the Taliban sprang. He has set up a fatwa (religious edict) council at the High Court, which the deputy chief justice told me was illegal. And the head of the Supreme Court office for public information is a former Taliban official.

Just 10 days after the passage of the new constitution, contrary to that constitution and without any case before it, the Court declared that the broadcast of female singers on TV was un-Islamic and therefore illegal. The chief justice has taken similar stances against coeducation and cable TV; in 2004 he tried to have a presidential candidate disqualified and prosecuted for discussing women's rights in the context of divorce and polygamy. Rather than promoting the rule of law and constraining undemocratic interests, the Supreme Court is unaccountable and flouts the law and the new constitution.

Ultimately, a constitutional process is an opportunity to hammer out compromises that channel conflicts away from violence and into political competition. It can serve as the foundation for coalescing a nation and building a sound state. But it can equally be a means for competing interests to stake out territory, create roadblocks, or consolidate power without resolving underlying conflicts. In post-Taliban Afghanistan, where hostile factions are forced into political dialogue by external forces with their own agendas and time lines, we can only expect less than optimal outcomes. □

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Disengagement First

Ariel Sharon's disengagement from Gaza will result in a more secure Israel while enhancing prospects for the creation of a Palestinian state.

By Abraham D. Sofaer.

Yasser Arafat's death has generated widespread calls for Israel and the Palestinian Authority to resume negotiations aimed at a comprehensive settlement. Henry Kissinger, James Baker, and Brent Scowcroft are among those who think the time is ripe, now that the PA has elected a leader who opposes the intifada, for the United States to press the parties to return to the table. The British government is arranging a conference to push the process.

Others not only support comprehensive talks but call for abandonment of Israel's plan to disengage from Gaza and four settlements in northern Samaria. Arieh O'Sullivan, defense correspondent for the *Jerusalem Post*, writes that "the moment Arafat was buried, the excuse that there is no Palestinian interlocutor fell away. Already the Labor Party is changing its position on Gaza because it is hoping a Palestinian leader might emerge who could make a lasting peace . . . if both Gaza and the West Bank were on the table."

In fact, the Palestinians are far from ready to negotiate. The president, Mahmoud Abbas, opposes the use of violence but has made clear that he does not intend to use the PA's forces against other Palestinians. Even if he changes his mind and tries to stop acts of terror, he may not succeed. Other Palestinians have yet to be elected to legislative and Council posts, and their positions on ending terrorism are not clear and likely to be even weaker

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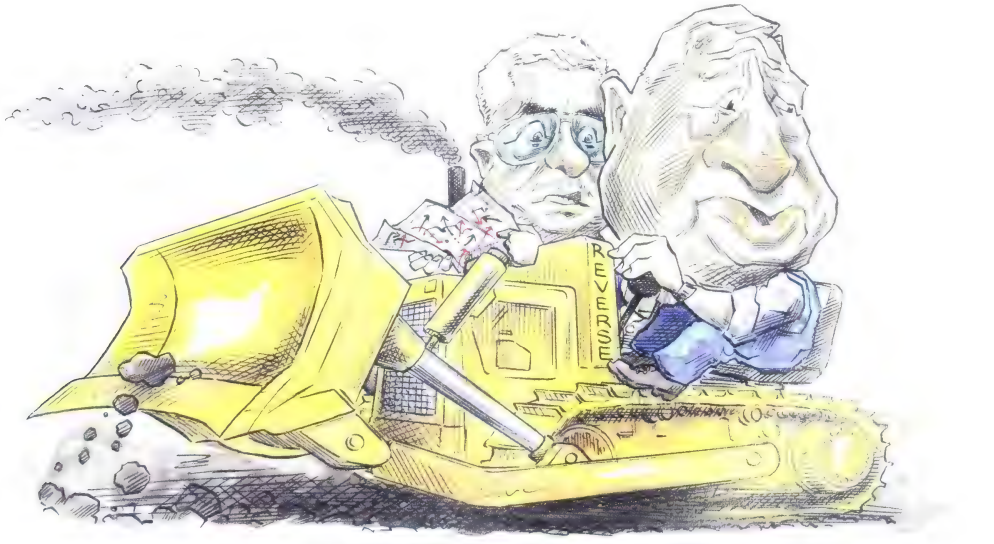
than the new president's. At best, unless Israel were to agree to proceed despite continuing violence, negotiations between the PA and Israel could begin around the time disengagement is scheduled to be completed (September 2005). To focus now on the resumption of comprehensive talks would therefore be premature, even if such talks in fact made sense at this stage.

Even if negotiations could be commenced sooner, their existence would deplete the parties' capacities to implement disengagement and—most important—could undermine disengagement by introducing irresolvable issues and encouraging the parties to make unreliable commitments.

The important thing about disengagement is that, without any negotiated agreement, it would result in Israel evacuating 21 settlements and in Palestinian control of a sizable, contiguous piece of territory containing 1.4 million people, a port, an airport, and offshore natural resources. By contrast, none of the many previous plans to negotiate peace through bilateral agreements has resulted in evacuation of a single settlement or Palestinian control of an area sufficient for meaningful governance.

The Oslo Process promised movement but delivered only promises. Palestinians failed to end terrorism and persisted in spreading an ideology of hatred and death. Despite Israel's partial withdrawals, the number of settlers and settlements increased, causing Israel to build roads and roadblocks to protect its citizens. The U.S. effort to reach a comprehensive agreement at



Camp David failed, among other reasons, because the fundamental issues of refugees and Jerusalem could not be resolved. Those issues are if anything less likely to be resolved today. President Abbas, for example, still insists that Israel must accept the right of all Palestinians to return to Israel proper, a position that Israel will not accept.

Disengagement is possible precisely because it is not based on any negotiated agreement. When Prime Minister Ariel Sharon concluded that Israel faced not simply sporadic acts of terrorism but a war fought with terrorist methods, he fashioned a strategy to win the war, rather than defending every Israeli position, however untenable. He agreed to build a barrier between Israelis and Palestinians and to "re-deploy" settlements to "reduce as much as possible the number of Israelis located in the heart of the Palestinian population."

Realizing that Sharon's plan would result in both a more secure Israel and enhanced prospects for creating a Palestinian state, President Bush agreed to recognize publicly that the barrier was necessary for Israel's defense; that Israel had the right to protect itself from attacks; that the claimed "right of return" must be understood to mean return to the new Palestinian state; and that the few major settlements close to the 1967 border and containing most of Israel's settlers would likely remain part of Israel after any final negotiation. These propositions do not preclude the Palestinians from securing different outcomes in direct negotiations, but the president's acceptance of them gave Prime Minister Sharon's plan the practical and political support he sought.

Disengagement would result in Palestinian control of a sizable, contiguous piece of territory containing 1.4 million people, a port, an airport, and offshore natural resources.

It is far from certain that disengagement will succeed. Although the United States and its negotiating partners support the plan, they have adopted a "show me" attitude and done little to help ensure its successful implementation. Sharon has thus far managed to move the disengagement policy forward but with great difficulty. In the latest of several political crises triggered by

the disengagement plan, he has managed to form a new coalition between his Likud Party and a group from the Labor Party led by Shimon Peres. He now has a narrow but fragile majority, and he will need to hold it together despite serious differences on domestic issues as the process moves in stages to the actual removal of potentially violent settlers from Gaza.

Unilateral steps in the right direction are preferable to bilateral negotiations that lead nowhere.

Disengagement is vulnerable in Israel because it is indeed a response to terrorist acts and signals Israel's willingness to abandon the expansive territorial aspirations of a small but powerful minority. A clear majority of Israelis understand, however, that disengagement is the rational, deliberate response of a strategist, aware that an indefensible position becomes no more defensible because of one's determination to maintain it. Israel's continued occupation of Gaza is untenable. The settlements there have about 8,000 Jews who control 20 percent of a territory containing 1.4 million Palestinians; and Israel needs 20,000 troops to defend these settlers, at an annual cost of $560 million. Israelis opposed to disengagement compare it to Israel's withdrawal from Lebanon. Yet, although that withdrawal was messy, it was long overdue. Today, the Lebanese-Israeli border is more secure than during Israel's occupation, and no one would suggest that Israel reoccupy that area.

Instead of attempting prematurely to commence bilateral negotiations, the United States and other interested parties should help Israel and the Palestinians address the difficult issues on which a successful implementation of disengagement depends. They include

Security. Israel's security would be threatened if Gaza is taken over by militants. The disengagement plan calls for Israeli control over the border between Egypt and Gaza and announces Israel's intent to prevent importation of weapons. But Israel cannot end its responsibilities in Gaza without relinquishing control. Other solutions will have to be fashioned to secure the southern border and to regulate commerce.

Infrastructure. Israel is prepared to turn over the settlements and infrastructure but not homes. It is unclear to whom those assets would be given and what will be done with them. Militants, or thieves, could seize or destroy power lines, farms, and buildings. Ideally, Israel should turn over all the homes, but it is unwilling to see them occupied by terrorists. Mechanisms are needed to enable Israel to transfer and the Palestinians productively to use as many of the assets as possible; the homes could, for example, be sold by a mutually agreeable entity to responsible buyers and the income used for desperately needed public housing.

Economy. The economy of Gaza is in a disastrous state. The World Bank has proposed projects to help prevent the social catastrophe that could occur if Gaza's economy does not improve, but it is unwilling to assume the risks of managing the projects it proposes. The United States and others interested in peace should be actively engaged in developing politically neutral entities, managed by professionals, to assume control of industrial zones, run facilities, and perform other functions needed to encourage investment.

Israel's announcement on November 15 that it is prepared to coordinate disengagement with the Palestinians is a welcome development; a cease-fire would be a blessing; and Israel should also do all it can to facilitate Palestinian efforts to achieve stability. But outsiders should not attempt to force discussions to occur or become a vehicle for exchanging conditional commitments on the basis of potentially illusory undertakings that could disrupt disengagement itself.

Unilateral steps in the right direction are preferable to bilateral negotiations that lead nowhere. All efforts should now be directed to the many steps needed to ensure that disengagement succeeds. □

An earlier version of this essay appeared in the *Wall Street Journal* on December 9, 2004.

Available from the Hoover Press is *The Transnational Dimension of Cyber Crime and Terrorism*, edited by Abraham D. Sofaer and Seymour E. Goodman. Also available is *The New Terror: Facing the Threat of Biological and Chemical Weapons*, edited by Sidney D. Drell, Abraham D. Sofaer, and George D. Wilson. To order, call 800.935.2882 or visit www.hooverpress.org.

The War on Terror: An Alternative Approach

How to rethink the war on terror. **By Douglass C. North.**

As the Bush administration begins its second term, it should concentrate on reducing the likelihood of terrorism, violence, and war in the world. Accomplishing this will require a radical revision of Bush's policies from his first term. In this brief essay I address only one part of this objective, which would be to convince the Muslim world that the United States is not fundamentally opposed to Muslim culture. The required policy changes entail overhauling our blind support of Israel in its policies toward Palestine and undermining the Muslim support for terrorism. Let me take each in turn.

The Muslim world is persuaded, with good reason, that our support of Ariel Sharon in his policies toward the Palestinians is convincing proof of our bias against Muslims. We should be exerting pressure on Israel to settle the conflict with Palestine in a fashion that would permit both political entities to thrive. Required as a minimum would be withdrawal of Israeli settlers from Gaza and the West Bank; however, integrating the Palestinian and Israeli economies is also necessary. A step in the right direction would be for the United States to grant Israel, say, $4 billion, of which $2 billion would be used to develop and integrate the Palestinian economy with the Israeli economy, an essential requirement for the Palestinian economy to prosper. Such a step is in the interest not only of the United States but of Israel, if it is going to survive surrounded by Muslim societies.

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Undermining Muslim support for terrorism requires fundamental changes in our Iraq policies. Certainly the creation of a market-oriented democracy in Iraq would be a major step. Although we are still far from understanding how to convert polities and economies to democracies and market economies, we have learned some fundamental lessons the hard way. Countries without a heritage of democracy or market economies require a lengthy transition period to achieve them—a transition made much more difficult when fundamental ethnic divisions exist as they do in Iraq. Such a transition is even more difficult when imposed by outsiders, as would be the case in this instance.

Going to war in Iraq detoured this country from its ongoing efforts against terrorism in Afghanistan. The way that the occupation has evolved has convinced many in Iraq, as well as in neighboring countries, that our intentions are far from pure. The continued occupation of Iraq can only lead to continuing loss of American and Iraqi lives without accomplishing the Bush objective of creating a democracy—something that would take decades. The idea that simply having an election will turn Iraq into a democracy is based on simpleminded reasoning that runs counter to a long history of experience in developing countries. Creating a viable democracy is a lengthy process fraught with uncertainty. It is very doubtful that the United States public has the patience for such an undertaking, given the costs in lives and the increasing U.S. indebtedness that it would entail.

There is no cost-free solution, but probably the most sensible alternative would be to divide Iraq into three autonomous self-governing regions of Kurds, Shiites, and Sunnis and then to exit. Yes, two of them would undoubtedly be theocratic governments and we would have to deal with Turkey with respect to Kurdish autonomy. But those are better alternatives than an occupation that would go on for many years. □

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Between Democracy and Stability

The demographic time bomb ticking away in the Middle East is going to blow away a lot of Western-leaning regimes—unless true reform begins soon. ***By Larry Diamond.***

How do we balance two conflicting imperatives for U.S. foreign policy: preserving the short-term stability of Arab regimes that have been friendly—or at least not explicitly and intractably hostile—to the United States and promoting a deeper, more organic stability in the region through democratic reform?

DEMOCRACY DEFICIT

The problem is stark. The Arab world is the only major region that does not have a single democracy. If we look at the Middle East in general, only Israel and Turkey are democracies. Of the 16 Arab states, only Lebanon has ever been a democracy, and only a few could be described today as even semi-democratic. Whereas the rest of the world has been moving toward democracy and greater freedom over the past three remarkable decades, the Arab world has remained politically stagnant. In fact, the Arab region is the only part of the world where the average Freedom House rating of political rights and civil liberties is worse today than it was in 1974.

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There is a serious problem with the nature of governance in the Middle East. The source of the problem, however, is not Islam as such. Forty-three nations in the world clearly have a Muslim majority. The 27 of these *outside* the Arab world have an average freedom score that is almost an entire point better, on the 7-point Freedom House scale, than the Arab states. Seven of those 27 Muslim nations are democracies; several other nations, such as Indonesia and Mali, are developing democracy; and democracy is visibly deepening in Turkey under a government led by a party that could be called in its orientation Islamic-democratic.

The Arab region is the only part of the world where the state of political rights and civil liberties is worse today than it was 30 years ago.

The growing body of evidence shows that Muslims desire democracy pretty much to the same degree that people of other faiths do, particularly when we control for education and income. That is clearly the case in Africa and Central Asia. Even in the Arab world, evidence shows that people in the region value democracy and that there is not much of a relationship between religious attachment and support for democracy.

These popular orientations among Muslims in the world correspond with the thinking of increasingly outspoken moderate Muslim intellectuals, who are making the case either for a liberal interpretation of Islam or for a broader liberal view that de-emphasizes the literal meaning of sacred Islamic texts while stressing the larger compatibility between the overall moral teachings of Islam and the nature of democracy as a system of government (based on such principles as accountability, freedom of expression, and the rule of law). Islam is undergoing a kind of reformation, with growing momentum among Muslim religious thinkers for a separation of mosque and state. Significantly, Arab intellectuals and civil society activists are themselves challenging the democracy and freedom deficit that pervades the Arab world.

DEMOGRAPHIC TIME BOMB

A growing number of Arab scholars, journalists, civic activists, and even some government officials, as well as numerous foreign observers of the region, are becoming convinced that the center cannot hold without democratizing

political reform. The old cyclical games of tactical liberalization—opening today and repressing tomorrow—have run their course. Burgeoning populations—whose demographic profiles are tilted dramatically toward the young—are deeply frustrated by the pervasive economic stagnation, abuse of power, and social injustice. They are also better informed—or at least more independently informed—about what is happening in the world than they used to be, and they are better able to organize outside government control. And they are not going to sit back and take it any more: that is one message of 9/11.

To the extent that Arab regimes do not reform politically and economically, they will erupt in one form or another over the coming years. What Thomas Friedman calls the "global supply chain" of suicide bombers is one form of eruption. The wave of venomous anti-Americanism is another. The rising tide of terrorist attacks inside Saudi Arabia is another. Sclerotic regimes that cannot generate jobs and hope at a faster rate than the population is growing cannot persist indefinitely. And the market-oriented economic reforms necessary to unleash economic growth are unlikely to occur without democratic change because, unless governments have much greater political legitimacy, they will not have the nerve, or the autonomy from the decades-long accumulation of vested interests, to take bold and difficult steps. There is a demographic time bomb ticking in the Middle East, and it is going to sweep away a lot of Western-leaning regimes sooner or later unless true reform begins soon.

PROMOTING DEMOCRACY

Of course, "later" could be a long time coming. Knowing that—knowing how efficient, cunning, and ruthless the state security apparatus is in many of these countries; knowing the opportunism and insecurity of middle-class opposition groups that do not want to rock the boat; understanding that change always carries short-term risks—American policymakers have tended to opt for the devil they know and leave the longer-term future to the next administration. That is why President Bush's speech on November 6, 2003, to the National Endowment for Democracy, and his subsequent statements calling for a fundamental reorientation of American policy in the Middle East, was so visionary and courageous. Conceptually, the call for a broad shift in policy toward promoting democracy in the Middle East is bold and long overdue.

Normatively and conceptually, we are at a historic juncture, where moral imperatives—to support human rights and promote peaceful democratic change—and security imperatives converge as never before. After 9/11, the political transformation of Middle Eastern regimes toward greater freedom, responsiveness, transparency, accountability, and participation—and therefore a real capacity to achieve broad-based human development—has become not just a moral imperative but a necessary foundation for the security of Western democracies as well. Creating a new climate in the region that is much less conducive to hatred and terrorism requires a sweeping improvement in the character and quality of governance.

The question is, How do we do promote these changes in such a way that the search for an Arab Kerensky does not yield an Islamist Lenin instead?

The tone and style of our approach are absolutely vital. Today in the Arab world, the United States is virtually radioactive; Arab democrats who come too close to it risk being contaminated and burned. The people of the Arab world profoundly suspect our motives. They think we are only in Iraq for the oil. And it is hard to dissuade them when the only building we protected as Baghdad was being systematically looted after it fell was the oil ministry. They think we seek long-term imperial domination in the region, and it is hard to dissuade them when we do not renounce any intention of seeking permanent military bases in Iraq. They think we only want democracy when it produces governments friendly to the United States. And it is hard to dissuade them when we have taken no practical steps to follow up on President Bush's bold speeches or to establish a dialogue with moderate Islamists in the region.

We must promote democracy in the Middle East. But we cannot do it rapidly, we cannot do it purely on our terms, and we certainly cannot do it alone. It has always been the case that success in this endeavor would require close coordination with our European allies. But in the wake of the mistakes and unilateralism of the Bush administration, I think we have no chance of fostering democratic change in the region without a truly transatlantic strategy that offers a true hope of economic and political progress. It is still the case that, if freedom is to advance in the world, the United States must lead. But, sometimes, we must lead more subtly—from behind—if we are to be effective.

In fact, we need unprecedented cooperation on three levels to promote democratic change in the Middle East: first, between Europe and the United States (as well as Canada and other democratic allies); second, between the governments and nongovernmental organizations of our democracies; and, third, between this new transatlantic alliance and reform-minded governmental and nongovernmental actors in the Middle East.

The growing body of evidence shows that Muslims desire democracy pretty much to the same degree as do people of other faiths. Evidence shows that people value democracy even in the Arab world.

A group of European and American policy specialists (myself included), meeting over several months under the auspices of the German Marshall Fund, has recently laid out what its members consider to be a viable transatlantic strategy for promoting democracy and human development in the Middle East. Our strategy is based on five principles:

1. **Regional ownership.** Democratization and human development in the region must spring from indigenous roots. Western democracies should not seek to impose any formula for democratic change. But they *can* and *must* help from the outside—morally, politically, and materially.

2. **Engaging rulers and the ruled.** In identifying the "owners" and partners for reform, the West cannot look only to state officials, though they are important. We need to reach out directly to civil society.

3. **Islam and democracy.** We reject the argument that there is some intrinsic incompatibility between Islam and democracy or that the peoples of the region are incapable of democratic governance or do not want the same rights that are taken for granted in most other parts of the world.

4. **Tailored policies.** Each country in the region is unique and should be encouraged to come up with its own national reform plan for democratic change, resulting from an open negotiation between the government, the political opposition, and civil society. A gradual, mutually agreed-upon timetable and formula for democratic change can allow time for moderates to organize politically and allow a greater plurality of forces in civil

society to flower, thereby facilitating a democratic transition that cannot be captured by radical Islamists.

5. **Filling the credibility gap.** Western governments need to overcome their past track records of inconsistency and double standards. The burden is on our own governments and societies to demonstrate that we are serious about promoting genuine democratic change and that we are willing to sustain a serious commitment even in the face of short-term risks and costs.

Among the specific policy courses we recommend are the following:

- The transatlantic democracies should do more to link their economic assistance directly to political reform and good governance, providing tangible benefits for countries that are making *true* progress on political and economic liberalization.

- Benchmarks for actual behavior also need to be extended to other areas of cooperation, such as trade liberalization, debt relief, and symbolic honors such as high-level state visits. Middle Eastern governments that are not serious about reform should know that they will not benefit in the same way that reformers will.

- The West must reexamine its relationships with the region's security institutions. The United States and Europe should use their influence with friendly military and intelligence establishments to foster democratic change, to end repression against democratic forces, and to end the use of torture.

- The Western democracies should exhibit more visible, consistent, and effective solidarity with democrats and human rights activists in the region who are under threat or in detention.

- The Western democracies should increase substantially their support for civil society and political actors and institutions working to advance democracy within these societies.

- We urgently need to increase educational, social, and cultural contacts between the peoples of the West and the Middle East. This requires a new visa regime for travelers from the Middle East.

But, along with the above, a certain type of environment in the region is necessary to help foster democratic change. Crucially important are a sustained commitment to political reconstruction in Afghanistan and Iraq as well as a more coherent and effective strategy to deal with Iran. But the highest priority in this regard is the Israeli-Palestinian conflict. The West cannot wave a magic wand to bring an end to this conflict. Nor can we allow aspirations for democratic change in the region to be held hostage by this conflict. But many in the Arab world today see a Western (and especially American) commitment to renew the role of honest broker in the Israeli-Palestinian peace negotiations as a litmus test of Western intentions and credibility. It is vital that the United States resume this role. Advancing the peace process is not a precondition for being able to foster the democratic process, but if the two proceed on parallel tracks, each effort is likely to be more credible and effective. □

Adapted from a talk given at the Weinberg Founders Conference at the Washington Institute for Near East Policy on October 17, 2004.

Larry Diamond is one of the authors of Istanbul Paper #1, "Democracy and Human Development in the Broader Middle East: A Transatlantic Strategy for Partnership," which is available online at www.gmfus.org or at www.stanford.edu/~ldiamond/papers.html

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Give Diplomacy a Chance

In dealing with Tehran, diplomacy is a lot more likely to work than military action. ***By Michael McFaul and Abbas Milani.***

Even when the European-Iranian agreement to halt Iran's uranium-enrichment program looked solid, the United States was blunt in its disapproval. The ink was barely dry on the accord when the Bush administration, it appears, began trying to derail it.

First, rather than endorse the accord, Secretary of State Colin Powell essentially accused the Iranians of lying when they said that their nuclear program was for peaceful purposes. He announced that new intelligence showed Iran is developing a nuclear warhead to arm its Shahab-3 ballistic missiles. Then, at a November 20, 2004, meeting of heads of state in Santiago, Chile, President Bush stated unequivocally that Iran is trying to build a nuclear weapon.

Why would the administration take such a combative stance? Because hard-liners within the administration thought that Tehran would use the settlement to buy time for building nuclear weapons and that the United States would be better off bombing Iran's suspected weapons sites.

Proponents of using military force against Iran have not yet won the argument within the Bush administration. But the past weeks of strong

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pronouncements about the threat Iran poses suggest that the military option may be gaining ground. Iran's last-minute antics, in trying to continue some forms of enrichment, almost derailed the agreement, but eventually the Islamic Republic agreed to a full, albeit temporary, moratorium.

Before the United States even considers such a drastic step as airstrikes against suspected nuclear weapons sites—or trying to compel the United Nations to endorse new economic sanctions against Iran—it is essential that our leaders be clear about what they are trying to accomplish in Iran and whether such actions will help or hurt.

Critics of engagement argue that diplomatic relations with Iran will reward this "axis of evil" member for years of supporting terrorism and pursuing nuclear weapons. In fact, an American diplomatic presence in Iran is the mullahs' worst nightmare.

If the ultimate goal is to create a democracy—one that would not fear the United States and therefore have less use for the bomb—then dual-track diplomacy with Iran's government and its people is more likely to work than military action.

Probably the most important question the administration's leaders should ask themselves is whether Iran, even a nuclear-armed Iran, poses a direct threat to the United States and its allies. The answer, we believe, is no. The mullahs who rule Tehran long ago gave up their ideological quest to "export" revolution. Like the last generation of octogenarians who ruled the Soviet Union, Iran's leaders today want nuclear weapons as a means to help them *preserve* their power, not to spread their model of theocratic rule to other countries.

DETERRENCE WORKS

In other words, even if Iran's rulers succeeded in building nuclear bombs, they would be very unlikely to take on the United States and its vast nuclear arsenal or to attack Israel. (The mullahs in Tehran understand that any nuclear attack against Israel would trigger full retaliation from the United States.) In dealing with Iran, deterrence works.

Tehran would also be unlikely to pass a bomb to Islamist terrorists, despite its support of Arab terrorist organizations that continue to attack Israel. One reason, again, is deterrence. Iran's rulers know that the United States would probably be able to trace the weapon back to them and retaliate.

If the ultimate goal is to create a democracy—one that would not fear the United States and therefore have less use for the bomb—then we must engage in dual-track diplomacy: diplomacy with Iran's government and with its people.

The threat of a nuclear Iran comes, instead, from the reaction it is almost sure to spark in the region and the world, possibly sending Egypt and Saudi Arabia on their own quests for nuclear weapons. Such an arms race would undermine the long-standing Nuclear Nonproliferation Treaty, an agreement signed by nearly 190 countries, which has proved indispensable in preventing the spread of nuclear weapons.

Bush administration hard-liners want to save that arms control treaty by *using* arms. In advocating a "surgical" military strike against Iran's most important nuclear facilities, including the once hidden enrichment plant in Natanz, they cite Israel's airstrike against Iraq's nuclear complex at Osirak in 1981 as a model of success. They argue that an American (or Israeli) strike would not end Iran's nuclear aspirations but dramatically slow its program and make the mullahs reconsider the costs of trying to restart it.

ATTACK WOULD BACKFIRE

But a preemptive military strike would instead do just what the hard-liners in Tehran hope for: It would unite their people behind them. Even a precise bombing campaign would kill hundreds if not thousands of innocent Iranians; destroy ancient buildings of historical and religious importance; trigger an Iranian counterstrike, however feeble, against American targets and friends in the region; and spur the mullahs to increase direct support of American enemies in the Shiite part of Iraq.

Even more important, an attack would only encourage Tehran to redouble its efforts to build a bomb, just as Saddam Hussein sped up his efforts after

the 1981 strike. It would also hurt the democratic opposition movement inside Iran, which is already in retreat and cannot afford another setback. After an attack, Iranians, not unlike Americans, are sure to rally around the flag and their government.

If the administration decides, in the end, that American military options are limited and counterproductive, the only serious way to impede the development of Iranian nuclear weapons is through negotiation. Iran's recent accord with France, Britain, and Germany is only temporary, and negotiations are expected to continue. In the last few weeks, new stages in the negotiations have begun—this time focusing on the economic incentives for Iran. If the United States were to jump in now, it could try to ensure that our European allies accept nothing less than a permanent and verifiable dismantling of Iran's enrichment capabilities, as well as banning any plutonium production.

Allowing the Iranians to enrich even some uranium, which they say will be used merely to feed their nuclear power plant, makes it too easy to cheat. To make the deal work, the United States would need to join with Europe, Russia, and China in pledging to guarantee Iran a permanent and continuous supply of enriched uranium. To make the deal even more attractive, the fuel could be offered at reduced prices.

Would Iran, even a nuclear-armed Iran, pose a direct threat to the United States and our allies? We believe the answer is no.

Even under the strictest inspection regime, Iran's leaders will cheat, as they have often done in the past, and will eventually divert enriched uranium from peaceful to military purposes. But the harder and more transparent the allies can make the process, the longer it will take Iran to begin building bombs.

In the long run, the world's only serious hope for stopping Iran from developing nuclear weapons is the development of a democratic government in Tehran. A democratic Iran will become an ally of the Western world and no longer need a deterrent threat against the United States. Democracy in Iran therefore obviously serves U.S. national interests. Yet Bush administration officials (as well as their predecessors in the Clinton, Bush, and Reagan

administrations) have not succeeded in developing a strategy for advancing the cause of Iranian democracy.

NEW STRATEGY

What is needed is a radical new approach that would nurture change from within the country, in alliance with Iran's democratic movement, rather than impose change from without.

In the long run, the world's only serious hope for preventing Iran from developing nuclear weapons is the development of a democratic government in Tehran.

A first step would be to establish an American presence in Tehran, as many in Iran's democratic opposition have proposed. Now decades old, the U.S. policy of isolating Iran has not weakened but instead strengthened its autocratic government. Of course, we are not suggesting that the United States open an embassy in Tehran and turn a blind eye to human rights abuses; that would only further consolidate the mullahs' hold on power. But we are suggesting a new strategy that would allow American government officials, as well as civic leaders, academics, and businesspeople, to engage directly with Iranian society.

This engagement cannot occur on a widespread scale without some level of diplomatic relations and some revision of the American sanctions against Iran. Were those to occur, more Western foundations would be able to make grants to pro-democracy Iranian organizations, while businesspeople—especially the Iranian-American business community in the United States—would be able to leverage their capital and know-how to influence economic and political change inside Iran. A U.S. presence in Iran would, not incidentally, also enhance the West's ability to monitor Iran's nuclear program.

Critics of engagement argue that diplomatic relations with Iran will reward this "axis of evil" member for years of supporting terrorism and pursuing nuclear weapons. In fact, an American presence in Iran is the mullahs' worst nightmare. Iran's government has long used its ongoing tensions with the

United States, as well as the embargo, as an excuse for the economic difficulties that are, in fact, the direct results of the regime's incompetence and corruption. Tehran's leaders have conveniently labeled nearly all their opponents as "agents of America."

Most important, part of the regime's self-declared legitimacy lies in its claim to be the only Muslim country fighting what it sees as U.S. imperialism. If the United States could prove it's not an enemy of the Iranian people, the legitimacy of Iran's leaders would diminish.

REAGAN'S COURSE

In the first years of his presidency, Ronald Reagan labeled the Soviet Union the "evil empire" and went out of his way to avoid contact with such a regime. Over time, however, Reagan charted a new course of dual-track diplomacy. He engaged Kremlin leaders (well before Gorbachev) in arms control and also fostered contacts and information flow between the West and the Soviet people in the hope of opening them up to the possibilities of democracy. In the long run, it was not arms control with the Soviets, but democratization within the Soviet Union, that made the United States safer.

If George W. Bush desires a foreign policy legacy as grand as Reagan's, now is the time to think big and change course as dramatically as Reagan did. □

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Available from the Hoover Press is *The Gravest Danger: Nuclear Weapons*, by Sidney Drell and James Goodby. To order, call 800.935.2882 or visit www.hooverpress.org.

What Are the Options?

How can we get Tehran to give up its nuclear ambitions? By judicious use of the carrot—and the stick. **By Geoffrey Kemp.**

The United States lacks a coherent policy toward Iran. Until it articulates one, it will be difficult to build an impregnable alliance with Europe (and possibly Russia and Japan) to exert the necessary political pressure on Iran to force it to suspend its nuclear fuel-cycle program. For the past 18 months the Bush administration, because of its preoccupation with Iraq and its internal gridlock, has outsourced the task of confronting Iran on the nuclear issue to the International Atomic Energy Agency (IAEA) and the European Union.

For a period in the summer and fall of 2003, this policy was effective. Iran took seriously the admonishments of the IAEA and the European Union. We can surmise that such cooperation was partly due to the successful U.S. military operation in Iraq in the spring of 2003. But as the war in Iraq has become bogged down and America has come to resemble "a wounded beast" (in the words of former Iranian president Akbar Rafsanjani), Iran's boldness in dealing with the nuclear issue has grown. This is in parallel to the consolidation of power in the Iranian parliament by the hard-liners and the expectation that they will capture the Iranian presidency in the elections of June 2005. These events, together with a bonanza from high oil prices, have given the hard-liners a long lease on power. Furthermore, the international campaign against Iran's nuclear program has generated a domestic backlash, with many reformers and moderates sympathizing with the government in its decision to stand up to the United States and the international community.

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Yet the dangers of an unrestricted Iranian nuclear program remain unacceptable. The two reasons that Iran remains on President Bush's "axis of evil" are (1) the regime continues to sponsor terrorists who murder Americans, and (2) it is building a very sophisticated nuclear technology infrastructure. The Bush administration has vowed to take preemptive action against regimes that pose such threats, so Iran's mullahs must be wondering if they are next in line for the application of U.S. force. The mullahs know that the United States has sufficient military power to reduce most of Iran's budding nuclear infrastructure to rubble within 48 hours. All international efforts, short of using force, including U.S. economic sanctions, to dissuade Iran from its nuclear course have so far failed. Absent a fundamental change in the policy of the Iranian regime, especially its support for terrorism, or a change of the regime itself, the prospect of an Iranian bomb is extremely dangerous.

The dangers fall into several categories. Nuclear weapons in the hands of the current regime would be regarded by Iran's neighbors as a profound threat and would almost certainly stimulate an interest in acquiring nuclear weapons in Turkey, Saudi Arabia, and Egypt. The smaller Gulf Cooperation Council members (Kuwait, Bahrain, Qatar, the United Arab Emirates, and Oman) are likely to call for a more explicit U.S. nuclear guarantee—and they might get it. An Iranian nuclear capability, together with its missile program, will eventually threaten Europe, Russia, and the United States itself. Such a capability would further harm the Nuclear Nonproliferation Treaty (NPT), whether Iran obtains the bomb legally, by withdrawing from the treaty, or illegally, by violating it. Furthermore, the bomb in the hands of the current Iranian regime could embolden it to provide more military and political support to terrorist organizations pledged to destroy the state of Israel. In extremis, it could provide nuclear material to those groups.

The Bush administration has been outsourcing the task of confronting Iran on the nuclear issue to the International Atomic Energy Agency and the European Union. It's time for the administration to deal with Iran directly.

In light of all this, it may be satisfying to contemplate the expeditious destruction of Iran's nuclear facilities—and some Americans do contemplate it. But the use of force should be the very last resort in dealing with the problem of Iran's would-be bomb.

First, an attack would only delay the regime's ambition, and third-party countries would likely aid a post-attack Iran such that the delay would not be very significant. Even more important, some senior Iranian officials are not convinced that moving from a nuclear infrastructure to the actual fabrication and deployment of nuclear weapons is in Iran's national interest. But the more likely a U.S. attack seems, the less influence such doubters are liable to have. A U.S. attack could also be counterproductive politically, in that those opposed to the regime could be harmed by a welling up of Iranian nationalist fury.

Second, the broader political price the United States would pay for attacking Iran would be considerable, unless Iran were in clear breach of its legal commitments to existing nonproliferation agreements.

There may also be an upside to U.S. restraint. If the present regime can be persuaded to abandon terrorism and to enter into a political dialogue with the United States, the calculus of risks and incentives in Iran's contemplation of deploying nuclear weapons can perhaps be influenced for the better. Such an Iran could make possible the reconsideration of a regional security regime for the greater Middle East that could enfold the growing dangers of chemical and biological weapons proliferation as well as nuclear proliferation. If there is parallel progress on resolving the Palestinian-Israeli issue, a new dialogue on the sensitive subject of Israel's nuclear weapons might be possible.

THE NEED FOR A MULTILATERAL APPROACH

To stop, or significantly slow down, Iran's push for a bomb will require a multilateral, multitiered effort, headed by the United States. It would have to involve tempting carrots and threatening sticks, as well as continued cooperation with Europe, Russia, and China. It will, of course, also require a fundamental change in Iran's bilateral relations with the United States. However difficult both parts of this effort may be, it is worth pursuing. Otherwise, the only options available are to hope for quick regime change in Tehran (with all its uncertainties) or to decide to use force (with all its dangers and costs).

The first step for the Bush administration is to come up with a coherent strategy that is acceptable to the Europeans. Major disagreements have emerged over the years between Washington and Brussels on how to deal with the Islamic Republic of Iran. The European Union has favored engagement with the regime as the best way to persuade it to change its policies, but the Clinton and Bush administrations have generally favored a combination of unilateral economic sanctions and public criticism.

Europe's concerns about Iranian nuclear activity have grown more serious in recent months, and the three key players—Britain, France, and Germany—now share U.S. intelligence estimates that point clearly to Iran's development of a nuclear bomb. Europe and the United States have common strategic interests in curbing the Iranian bomb. Both understand that a nuclear Iran would radically alter the strategic balance in the Middle East and could, under some circumstances, trigger a major military confrontation, which

would be disastrous for all concerned. It is therefore essential that there be a common policy between Washington and Brussels on dealing with the problem.

A GRAND BARGAIN?

Perhaps the only circumstance under which Iran might abandon, suspend, or put under international control its nuclear fuel cycle would be as part of a far-reaching agreement with the United States, which would include lifting U.S. sanctions and American cooperation in developing Iran's energy resources and pipeline infrastructure. (One key impact of U.S. sanctions has been to deter other major countries, such as Japan and many European nations, from investing in Iran's energy sector out of fears of retaliation from Washington.) Such an agreement would also have to end Iran's support for anti-Israel terrorism. In turn, American leaders would have to refrain from statements questioning the legitimacy of the Islamic Republic and end all discussion of regime change.

A U.S. attack on Iran's nuclear facilities could be counterproductive politically, in that those opposed to the regime could be harmed by a welling up of Iranian nationalist fury.

Consider the example of Libya, which dramatically disavowed terrorism and abandoned its weapons of mass destruction (WMD) program in 2003. Talk about the Libyan regime no longer emanates from Washington. The deal with Libya probably would have been impossible had London not reestablished diplomatic relations with Tripoli and thus been in a position to make the first overtures to Muammar Qaddafi, which then paved the way for American involvement. The parallel would be the European Union, which maintains close diplomatic ties with Iran and is in a better position than the United States to initiate any kind of deal. The obvious lesson for the United States is that, if one has a party that can engage with proliferating states, it is easier to broker deals.

In the end, the dangers of an Iranian bomb cannot be decoupled from Iranian support for terrorism. If Iran were to walk away from the terrorism business and cooperate with the United States in Iraq and Afghanistan, then

the nuclear crisis would immediately be more manageable and less likely to provoke an international standoff with the concomitant threat of military force.

For a number of years the phrase "grand bargain" has been bandied about by Iran watchers to refer to a far-reaching political deal that would resolve the major points of contention between the United States and Iran and lead to an improvement in relations. The phrase has attracted considerable attention, in part because no one is sure what it really means. Furthermore, to those who regard engagement with the Islamic regime as anathema, the phrase has become indicative of an appeasement mentality that proposes to do business with the devil at the expense of the freedom-seeking people of Iran.

Absent a fundamental change in the policy of the Iranian regime, the prospect of an Iranian bomb is extremely dangerous.

For the record, it is not unusual for democratic states to negotiate far-reaching agreements with totalitarian and autocratic regimes. In the case of the Soviet Union and communist China, successive U.S. leaders argued that American strategic interests were served by having stable relations with these two regimes, despite their appalling records on human rights, their lack of transparency, and other matters of concern to the West. Stable relations did not require accepting either their values or their behavior, but it did mean accepting certain codes of conduct that precluded direct interference in their political systems. It did not preclude espionage or assertive public diplomacy condemning their political practices. It meant continuing sanctions on sensitive exports and limits on their access to Western markets. It did not preclude continued competition for the hearts and minds of neutral countries.

To apply these precedents to Iran is neither unrealistic nor amoral. It would require that the United States and Iran reach agreement on several red-button issues that both sides consider critical to their national interests. For the United States, it would mean verifiable proof that Iran was not engaged in a nuclear weapons program, that it was committed to the Chemical Weapons Convention, that its military and financial support for anti-Israel terrorist groups had ended, and that it was prepared to accept an Arab-Israeli peace settlement.

Since several of the key U.S. red buttons are also shared by the European Union, forging a common U.S.-E.U. policy on a negotiating strategy has considerable appeal. Indeed, one way to look at the elements of a grand bargain is to consider the European Union's decision in 2002 to enter into negotiations with Iran for a trade and cooperation agreement and how this has evolved into a template for E.U.-Iranian relations. The European Union has declared that trade discussions with Iran are inextricably linked to progress on four important non-trade items: the Arab-Israeli conflict, human rights, terrorism, and WMD. European Union officials have assured their American counterparts that the political agenda linkage is critical to the overall package.

For the record, it is not unusual for democratic states to negotiate far-reaching agreements with totalitarian and autocratic regimes. In the case of the Soviet Union and communist China, successive U.S. leaders argued that American strategic interests were served by having stable relations with both.

If Europe's conditions are sustained and Iran is willing to accept them, then much of the U.S. agenda would also seemingly be covered. The uncertainty concerns the precise definition of the E.U. benchmarks and how rigorously they will be implemented. Concerning WMD, the European Union and the United States have sustained a common approach to the nuclear issue over the past several months, but the final agenda is not yet resolved, especially concerning Iran's determination to build a fuel cycle. And there are uncertainties over other WMD benchmarks, such as Iran's transparency to the Chemical Weapons Convention and its surface-to-surface ballistic missile program. The same ambiguity applies to benchmarks on human rights, terrorism, and Arab-Israeli negotiations. If the United States and the European Union could agree to tough, common positions and procedures on these complicated questions, then they would have formidable leverage over Iran.

Iran would only consider the benchmarks if the other side of the equation—the carrot—was outlined with similar precision. Iran would thus expect a clear pledge of no direct interference in its domestic affairs; an acceptance of

the legitimacy of the Islamic Republic; the removal of U.S. sanctions except those on military technology; a settlement of all outstanding asset claims and an end to obstructions in all international forums restricting Iran's ability to borrow at concessional rates; access to Europe's gas markets; and more Western investment in its energy sector. Iran would also have a right to be included in a discussion about regional security arrangements involving the United States, NATO, and other organizations.

In the real world of compromise and adjustments, such a grand bargain would indeed be worthy of the name. Eventually, Iran's political system will change for the better, but it will come from decisions Iranians make themselves and are prepared to struggle for. We should praise their struggle but, in the meantime, be willing to work with the current regime for the mutual interests of all parties. If this is seen by some as appeasement or a sellout, so be it. Stopping the bomb and terrorism are our priorities, and if we can make practical deals with dictators such as Muammar Qaddafi and Pervez Musharraf, we can do a deal with Tehran—provided that Tehran lives up to its part of the bargain. If it does not, then we will have to prepare for more serious confrontation, but trying to reach an agreement is essential if we are to have any hope of dealing with Iran in cooperation with our European allies. ◘

Adapted from a lecture delivered at the conference "Assessing Iran's Nuclear Program," cosponsored by the Hoover Institution and the Woodrow Wilson International Center for Scholars in Washington, D.C., on November 9, 2004.

Available from the Hoover Press is *A Practical Guide to Winning the War on Terrorism*, edited by Adam Garfinkle. To order, call 800.935.2882 or visit www.hooverpress.org.

How to Save the United Nations (If We Really Have To)

The U.N. isn't dead yet—but it may soon be on life support. How to restore it to some semblance of health. **By Charles Hill.**

A statue of Oliver Cromwell, sword and Bible in hand, stands outside the Houses of Parliament in London. If the United Nations survives for another decade or so, it would be fitting for the organization to dedicate a statue of George W. Bush at its headquarters on Second Avenue, in tribute to the man who saved it from itself by offering it a final opportunity to get serious.

U.N. haters need not take alarm. More likely, the final opportunity will not be seized and the organization will fade into irrelevance, perhaps to be replaced by an association of democracies that are capable of acting.

Getting serious is what the United Nations' report of "The High-Level Panel on Threats, Challenges and Changes" tries to do. The report contains some refreshingly harsh indictments of U.N. performance and recommends Security Council measures that would respond to the Bush Doctrine of preemption. At the same time, the panel insists that the Security Council be the ultimate source of authority on all matters of international peace and security and recommends Security Council expansion to make it "more representative" (i.e., to dilute American influence).

In December President Bush declared his support for "building effective multilateral institutions and supporting effective multilateral action." The

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objective of the United Nations, he said, must be collective security, not endless debate; "when the U.N. promises serious consequences, serious consequences must follow."

That describes what President Bush did in the fall of 2002 through intensive diplomatic efforts to prod the Security Council into upholding its own string of Chapter VII resolutions demanding that Saddam Hussein cooperate with U.N. inspectors. The Council passed Resolution 1441 giving Saddam "a final opportunity" to comply. In January 2003, Chief Inspector Hans Blix reported to the Council that Saddam had not complied. President Bush launched Operation Iraqi Freedom in March 2003, and the United States then gained three resolutions that authorized the U.S. occupation of Iraq, approved the Iraqi interim government, and supported the process and timetable for democratization, including the forthcoming elections.

Had President Bush not held the Security Council to the requirements of its own resolutions on Iraq, the U.N.'s credibility as the principal forum for collective security would have collapsed. This U.S. effort to resuscitate the U.N. came against the background of the U.N.'s steep decline in the 1990s. The panel is refreshingly blunt about this. The reason the U.N. has not been effective in collective security, the panel admits, "has simply been an unwillingness to get serious about preventing deadly violence."

The U.N. also had to get serious about preemption—a military option assumed to be forbidden under the U.N. Charter. Weapons of mass destruction in the hands of nonstate fanatics like Al Qaeda, who cannot be deterred, contained, or diplomatically engaged, had created a stark new reality. The doctrine set out in the September 2002 National Security Strategy made clear that the United States, to prevent such threats to national security, "will, if necessary, act preemptively." This involved more than Al Qaeda threats: Iran's and North Korea's secret nuclear programs, if not halted by nonmilitary means, will have to be handled by preemptive military action.

Kofi Annan seemed to get the message. In September 2003, he called on the Security Council to "face up squarely" to the concerns that drive some individual states (read United States) to "use force preemptively against perceived threats." The U.N. had come to "a fork in the road," Annan said, "a moment no less decisive than 1945 itself, when the United Nations was founded."

The panel report responds to Annan's call by bringing the doctrine of preemption into the fold of U.N.-authorized collective security. The report declares that the right of preemptive action has been sleeping there all along, in Article 51's "inherent right of self-defense."

The United Nations suffers from an unwillingness to get serious about preventing deadly violence.

The panel can't leave it there, of course. If preemption is an option, the Security Council will have to continue to assert its paramount authority for giving or denying permission to act. What if some state (e.g., Iran) is acquiring, with hostile intent, nuclear weapons capability and it would be too dangerous to wait until the threat is imminent? Well, then, says the panel, you (the United States) will have to make your case to the Security Council and meet five criteria. If the Council decides the criteria have not been met, you will have to persuade, negotiate, deter, or otherwise contain the hostile threat. Even as the panel notes that the Council often has acted "too late, too hesitantly, or not at all," it recommends this tendency be locked in by "declaratory resolutions" of the Security Council.

Nice try, but making the Security Council the judge of whether the criteria for preemption have been met returns to the fundamental fact that collective security sometimes may work when small, weak countries are involved but almost never works on big-power problems.

Otherwise, the panel report indicates an awareness of the nature and extent of the present challenge to the international system. Most significantly, it defines terrorism as "any action . . . intended to cause death or serious bodily harm to civilians or noncombatants" as a way to intimidate a population or influence government—and finds that people under foreign occupation are not exempt from the prohibition on terrorism.

Expansion of Security Council membership has received the most media attention of all the proposals. The favored option would add six new permanent members but without the veto power wielded by the existing five. Germany, Japan, Brazil, and India have formed a junta to ensure they get four of those seats. Egypt, both Arab and African, will try to grab one of two seats reserved in the proposal for "Africa."

The panel members deserve credit for taking on some of the toughest issues facing the organization and producing some frank assessments and serious analyses. But the culture of the U.N., as always, overwhelms the best intentions. What should the U.N. do? The answer is simple: Take action when action is needed. But this wordy report and its 101 recommendations that require further study—at a time when the Security Council has been unable to take effective action in Darfur and the General Assembly cannot produce a coherent statement on the crisis—are symbols of the U.N.'s decline.

Those who care about the U.N. and want it to survive might compare the records of President Bush and Kofi Annan.

After 9/11, President Bush sought U.N. authorization for the war in Afghanistan and then made a major effort to get the Security Council to act on its own resolutions on Iraq. With Saddam overthrown, U.S. policy has focused on helping Iraq regain its sovereign legitimacy as a member of the U.N. and has gained Security Council resolutions supporting that effort. Now President Bush has made a commitment to repair multilateral institutions and enable them to act effectively. In contrast, Annan has continued to declare that only the U.N. can authorize action even as it refuses to act. Under his stewardship, the Oil-for-Food Program became the most grandiose scandal in U.N. history. And even as the Security Council sought to shore up U.N. credibility, after the strains of the Iraq war, Annan declared the war "illegal."

The panel report stresses the U.N.'s central role in collective security, a concept that came to the fore after World War I as a replacement for the "balance-of-power" concept. But as practiced by the U.N., which does not mention "democracy" in its Charter, and which has posed no obstacle to the presence of rogues and despots in its membership, collective security has been a flop. The U.N. is not dead yet. A final opportunity to save it exists. But perhaps it would be wise to start thinking about a new world organization, one with a membership that is committed to democracy. ▣

This essay appeared in the *Wall Street Journal* on December 7, 2004.

The Illusion of "Either-Or" Politics

Why George W. Bush is unlikely to veer to the right. **By Tod Lindberg.**

The argument over whether Republicans won in 2004 by appealing to their base, by pumping up turnout especially among evangelical Christians, or by reaching to the middle, where they made gains among women, Catholics, and so on, continues apace. And the political consequences riding on the outcome are generally thought to be large for the future of the party. Although I agree that the way in which Republicans interpret what happened last November is crucial to the party's future, an embrace of this either-or approach to describe how the GOP won will only cause confusion and create opportunities for Democrats.

For some reason, commentators, pundits, and other analysts seem to like a world in which what is going on is a battle for the soul of the Republican Party—or for the soul of the Democratic Party. In fact, many party activists themselves like to see things this way, being themselves members of one or another faction seeking the upper hand. They may even aspire to see the intraparty struggle settled in their favor once and for all. Will Democrats be the party of the centrist Democratic Leadership Council or the activist left wing that produced the surge of early enthusiasm for Howard Dean? Will Republicans be the party of the religious right, or will the more moderate types of the John McCain, Arnold Schwarzenegger, and Rudy Giuliani school carry the day?

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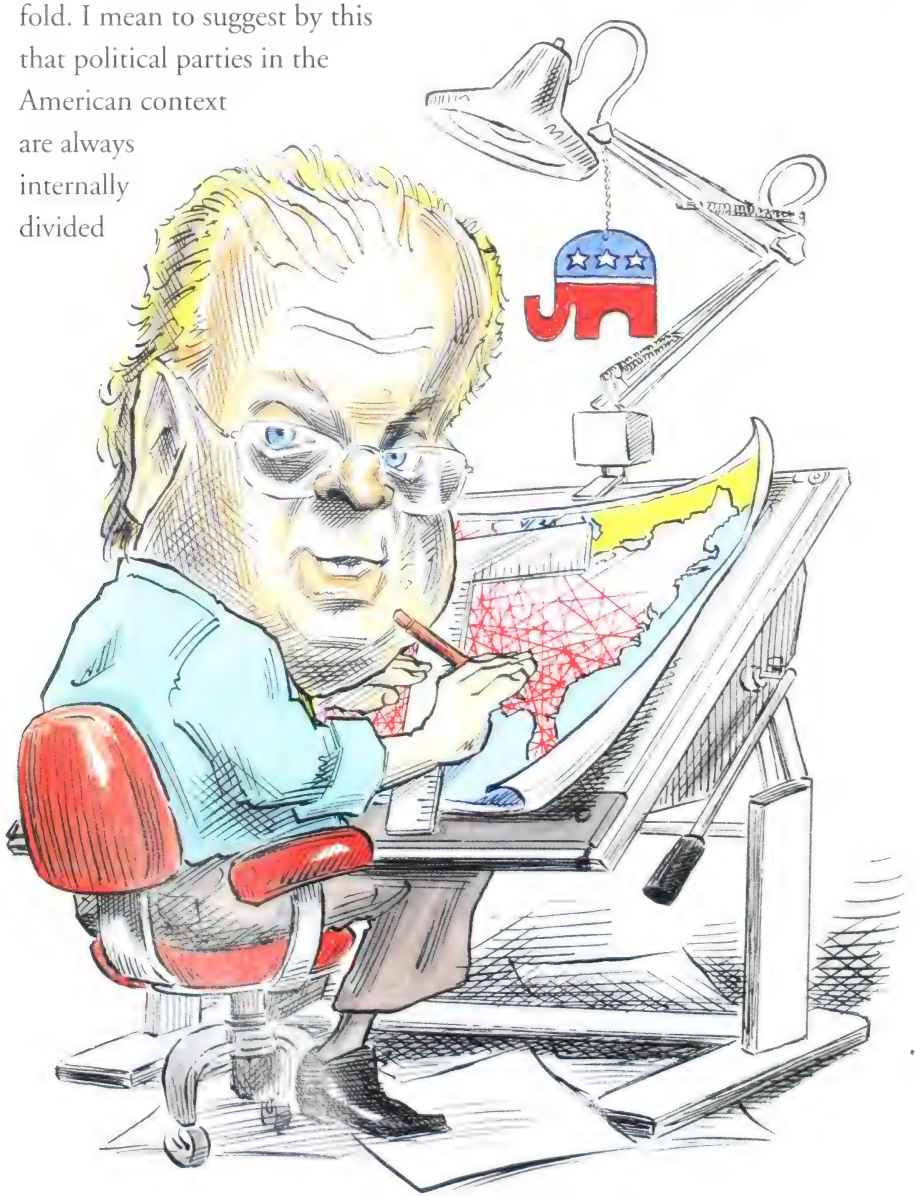
But, in fact, this world of binary outcomes is an illusion—for if ever an internal party struggle was settled once and for all, there would be two consequences flowing immediately from the fact. First, the party would become a minority party: A Democratic Party stripped of either its DLC wing or its progressive wing, one having decided to walk out because of the intolerable position of dominance within the party of the other, would have no hope of commanding an electoral majority.

Likewise, a GOP consisting only of evangelical Christians or of opinions ranging from, say Senator McCain to Senator Arlen Specter, would be a losing proposition nationally. You need both elements to have a chance of success.

Second, in the event of such a factional victory within a party, the prevailing faction would immediately split in two, probably divided over the question of how to bring the losers, their erstwhile comrades, back into the fold. I mean to suggest by this that political parties in the American context are always internally divided



and that it is neither one wing nor the other that determines the outcome; rather, it is the dynamic interaction of the two.

Now, as it happens, Democrats have a general interest in painting a picture of the GOP that consists almost entirely of its farthest-right members. The reason for this (in addition to the delusion of the true-believer "blue state" types who have been hyperventilating since the election about the "red peril") is that it gives Democrats the greatest room to operate both in maintaining their base and in reaching toward the middle. Similarly, Republicans have the same interest in characterizing the Democratic Party as "liberal, liberal, liberal." Meanwhile, it falls to the more center-leaning faction of each party to try to do what it can to rebut the all-left or all-right characterization—in pursuit not only of influence for its centrist views but also of the support of that median voter whose opinions aren't captured by either party's hard-liners.

So, to the victor go the spoils, right? Well, yes, but who won? I would be very surprised if the Bush White House—which, as the record shows, knows a thing or two about politics—somehow managed to miss the business of how parties work as discussed here. Those who are expecting a handover of policymaking to evangelical Christians ought to rethink their expectations. George Bush has a broad, majority coalition to manage. The key political test of the success of his administration will be his ability to keep it intact and broaden it for Republicans going forward. That entails not only saying yes to key constituencies on the right subjects at the right moments—but also saying no to or sidestepping certain demands that jeopardize the overall prospects for the coalition.

Anyone in Bush's position can turn to the right or, alternatively, hew to the center. The real challenge is crafting a political appeal and a policy menu that does both at the same time. Bush won in 2004 with a campaign that did just that. It seems highly unlikely that the "architect"—as Bush dubbed Karl Rove in thanking him November 3—or Bush himself will misinterpret the results of his achievement so as to minimize the extent of the contribution of either the center or the right to the victory. □

This essay appeared in the *Washington Times* on November 23, 2004.

How He Did It

How George W. Bush won—and what his opponents must do to regroup. **By Bill Whalen.**

There is a reason campaign professionals speak of presidential elections in terms of cycles rather than dates on a calendar. The process of choosing our nation's leader is a roundabout business and seemingly one without end. Americans go to the polls, their votes are counted, and a winner is declared, then it's on to a new round of speculation.

In that regard, the 2008 election—although it is nearly four years in the distance—is no exception. Talk of George W. Bush's successor already is under way. But it is exceptional how wide open the race is to choose America's 44th president. For only the sixth time in the past century, a two-term president will vacate the position. And, for the first time since 1952, the election will feature neither a sitting president nor his vice president seeking the job (assuming Vice President Cheney is not a candidate, which seems a safe bet). In theory, that gives both parties freedom to move in a new direction if they so choose.

But will Republicans and Democrats in fact chart new courses? Or will the 2008 election imitate the 2004 contest, which played along the same "blue" and "red" hues as the 2000 election (only three states—Iowa, New Hampshire, and New Mexico—changed party hands in November 2004)? Don't look to

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the last "wide-open" election for any indication—not unless a dynamic new figure emerges on the political landscape. The winner in November 1952, Dwight Eisenhower, was the biggest political free agent of his time, not declaring he was a Republican until January 1952, just weeks before the New Hampshire primary. Odds are that whoever we'll be voting for in November 2008 already belongs to one of the two parties—and is already planning to visit Iowa and New Hampshire.

DYNASTY AND URGENCY

How then should we look at the future of presidential politics? Try thinking of it in terms of one party's urgency and the other's sense of dynasty. The latter refers to the current run of Republican presidencies—by November 2008, 28 of the last 40 years. It is the third such stretch in American history: Republicans also controlled the White House for all but four years from 1860 to 1884, as well as for 28 of the 36 years from 1896 to 1932. Can the GOP stretch its control into the next decade, or will the third Republican "dynasty" come to an end?

The process of choosing our nation's leader is a roundabout business and seemingly one without end. Americans go to the polls, their votes are counted, and a winner is declared, then it's on to a new round of speculation.

Democrats, on the other hand, urgently need to win the presidency before the next census, the next congressional redistricting, and the next change to the Electoral College's balance—all of which will occur between the elections of 2008 and 2012. The results from last November underscore how shifting demographics affect the democratic process. President Bush was reelected with 286 electoral votes, compared to the 271 electoral votes he received in 2000. Pulling Iowa and New Mexico from the Democratic column gave the president 12 electoral votes, offset by the Republican loss of New Hampshire's 4 electoral votes. Thanks to migration to the Sun Belt, however, Bush earned another 7 electoral votes in states that he also won in 2000 (for a net pickup of 15 electoral votes). With another favorable round of electoral shuffling, a Republican presidential nominee in 2012 would have a "base" of nearly 250 electoral votes, easily within striking range of the magical 270 needed to win the election.

How do the Republicans hold on to power? That's a debate that won't take shape until after the congressional elections of 2006. By then we'll know the fortunes of the Bush administration—strong finisher or lame duck.

And how do the Democrats go about reversing their fortunes? It is familiar territory, with the party having gone through the same soul searching after 1988—perhaps not coincidentally, also a contest featuring a Bush and a

Massachusetts Democrat. That last debate pitted traditional liberal Democrats (the Kennedy-Cuomo-Mondale wing of the party) versus a more moderate faction of mostly southerners and midwesterners that called itself the Democratic Leadership Council. One of the leaders of that faction? A little-known governor from Arkansas named Bill Clinton.

Clinton, of course, would go on to win the presidency in 1992 by running a savvy campaign featuring his assertion that he was "a different kind of Democrat." And at the time, he *was,* in the sense that he defied liberal orthodoxy. In 1992, then-candidate Clinton supported the death penalty, campaigned for welfare reform, promised a middle-class tax cut, and, in a bow to cultural conservatives, denounced rap music that celebrated cop killings. In the process he claimed five of the Old Confederacy states, not a single one of which either Al Gore or John Kerry managed to win.

RECAPTURING THE WHITE HOUSE

Thanks to the 22nd Amendment, Democrats can rule out a third Clinton campaign—unless the principal is Hillary, not Bill. In a speech at Tufts University shortly after the election, the junior senator from New York showed a flair for strategy and message: "I don't think you can win an election or even run a successful campaign if you don't acknowledge what is important to people. We don't have to agree with them. But being ignored is a sign of such disrespect. And therefore I think we should talk about these issues." She also told her Boston audience, "No one can read the New Testament of our Bible without recognizing that Jesus had a lot more to say about how we treat the poor than most of the issues that were talked about in this election."

Obviously Mrs. Clinton studied the exit polls and saw that her party lost badly on the "values" issues. But a further look at the exit polls shows that the next election won't be decided on values alone. Keep an eye out for these factors:

- **Passion.** According to CNN's exit polls, 69 percent of voters said they voted *for* their candidate, not against his opponent. Bush won that portion of the electorate, 59 to 40 percent. Just one-fourth of the electorate said its motivation was to vote *against* a candidate, and Kerry dominated that

segment (70 to 30 percent). This underscores the point that elections aren't driven by negative karma.

- **Geographic balance.** The South accounted for 32 percent of the electorate; Bush won the region, 58 to 42 percent. His performance in the Midwest (26 percent of the electorate) nearly mirrored the national outcome: 51 to 48 percent. The West broke nearly even (a 50 to 49 percent Democratic advantage). The Democrats could only roll up the score in the Northeast (65 to 43 percent), but that was only 22 percent of the electorate. The GOP advantage in the South gave Republicans a 5 percent edge in the national vote—too much for the Democrats to overcome.

- **The suburbs.** The same CNN exit polls indicated that 30 percent of voters were urban; they went for Kerry, 54 to 45 percent. The rural vote (25 percent of voters) went 57 to 42 percent for Bush. But nearly half of the electorate was self-described suburban; Bush carried it, 52 to 47 percent.

- **Race and gender**. According to CNN, Bush carried only 44 percent of the Latino vote, yet it was an improvement of 9 percent from the 2000 election—and it explains why the president swept the Southwest. Bush also lost the female vote (51 to 48 percent), but that too was an improvement over 2000 (by 5 percent).

- **Catholics and Jews.** Although running against the first Roman Catholic nominee since John F. Kennedy, Bush won 52 percent of the Catholic vote, a key to his victory, as one-fourth of all U.S. voters are Catholic (and the percentages are even higher in the upper Midwest battlegrounds of Iowa, Wisconsin, and Minnesota). Bush received only 25 percent of the Jewish vote, yet that was a 6 percent improvement over 2000—and a factor in his winning Florida by 380,000 votes.

- **Personality.** Bush trampled Kerry in at least three character issues. Exit polls declared the president the stronger leader (87 to 12 percent), with a clearer stand on issues (79 to 20 percent) and more honest/trustworthy (70 to 29 percent). Kerry did receive 91 percent support as the more intelligent of the two candidates, but that quality finished dead last among the seven "important quality" traits put forth by CNN.

What this suggests is an uphill climb for the Democrats in 2008, though the odds are by no means insurmountable. The party certainly has high-profile contenders: Hillary Clinton, John Edwards, and Howard Dean would each enter the race with a built-in national constituency. Then there is John Kerry. And don't forget Al Gore, who would be following the path of another former vice president, Richard Nixon, who lost a national election only to reclaim his party's nomination—and the White House—eight years later. Those looking to repeat the Clinton magic of 1992 also have a stable of southern Democratic governors: North Carolina's Mike Easley, Tennessee's Phil Bredesen, Virginia's Mark Warner.

The party out of power can also look outside America—to its friends in the United Kingdom. Britain's Labour Party also went through a readjustment period during which it had to drop its left-of-center persona. However, it took Labour 14 years to convince the British electorate—a near eternity in American politics.

Democrats urgently need to win the presidency before the next census, the next congressional redistricting, and the next change in the composition of the Electoral College-all of which will occur between the elections of 2008 and 2012.

Perhaps it's as simple as advertising for the right candidate. As the Associated Press wrote two days after the election: "Wanted: a former altar boy from the Southwest who speaks Spanish, married into a rich Republican family from Ohio and revolutionized the Internet after working as a volunteer firefighter in Florida. Position: president of the United States."

Sounds simple enough. ◻

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Stick to the Basics

It was the Kerry-Edward campaign that was out of touch with economic reality. **By Michael J. Boskin.**

Teaching introductory economics to hundreds of freshmen here at Stanford, it was dismaying to see the usual election-year partisan exaggeration, distortion, and hyperbole morph into outright economic illiteracy. To be fair, all candidates and all presidents wind up saying some things that make economists cringe, usually put into a speech by political advisers unconstrained by economic facts or principles. But, from convenient economic-historical amnesia, to refusal to acknowledge basic facts, to suspension of basic economic principles, what we heard on the campaign trail was truly remarkable, especially from the Kerry-Edwards campaign, which accused Bush and Cheney of being "out of touch with economic reality." Most of the Kerry-Edwards campaign's policy prescriptions not only wouldn't pass muster but were the opposite of what we teach in introductory economics.

Let's start with the description of the economy, which the Kerry-Edwards campaign claimed was the "worst economy since Hoover." Recall that President Hoover was in office in October 1929, when the stock market crashed and the Great Depression began. The unemployment rate, at a time when very few families had two earners and there was a much smaller safety net, reached almost 25 percent by 1933; indeed, it was still at 15 percent under FDR in 1939. The current unemployment rate is 5.4 percent, less than the average for the last 30 years, about what it was when President Clinton ran

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for reelection in 1996, though certainly above the 4.2 percent it had been when President George W. Bush first assumed office.

That low unemployment rate was the result of a mini-bubble in the labor market accompanying a maxi-bubble in the stock market. Few economists believe we can push the unemployment rate permanently back down to 4.2 percent without accelerating inflation and risking much worse economic harm. By President Clinton's last year in office, inflation had doubled to 3.4 percent, the Fed was raising interest rates, the bubble had burst, and the economy was sliding toward recession.

Most of what the Kerry-Edwards campaign proposed was the opposite of what we teach in introductory economics.

Although there certainly are pockets of hardship (if you are unemployed, you are 100 percent unemployed, not 5.4 percent unemployed), it is truly bizarre to claim this is the worst economy since Hoover. In 1980, President Carter's last year, the unemployment rate was well above 7 percent; the contemporaneous inflation rate was over 12 percent; and the so-called misery index—the sum of the two—was 20 percent, two and a half times the current misery index of 7.9 percent! In fact, the misery index has been lower only five times in the last 35 years.

A deeper question is how high above the normal unemployment rate 5.4 percent really is; many economists believe the rate of unemployment consistent with the normal matching of people to jobs in the economy runs around 5 percent. Indeed, the Congressional Budget Office (CBO) estimate of the rate of unemployment consistent with stable inflation, a closely related concept, is only slightly below where we are now. Thus measured by the amount of unemployment above what is normal in a market economy that is always reallocating resources, 5.4 percent unemployment may be only about one-sixth as bad as it was in 1980, and even less relative to several other episodes. And, of course, the economy is growing at a decent clip, real after-tax incomes are rising, and inflation and interest rates are low. In any event, an objective observer would have to conclude that the economy is doing at least average and improving. In light of the bursting of the stock market bubble, the recession, and the terrorist attacks, this is pretty impressive.

Again, credit goes primarily to our flexible market economy, but aggressive monetary and fiscal policies were a big help.

The Kerry-Edwards campaign claimed that the Bush tax cuts did a lot of economic harm. This is exactly backward. Although in the long run deficits do matter, as well as the level and structure of spending and taxes, war and recession are times when deficits naturally occur and can even be downright desirable. Most economists, myself included, believe we should rely primarily on monetary policy to deal with short-run problems in the economy

because fiscal policy is usually a clumsy tool, prone to implementation lags, much more so than monetary policy. However, an important exception occurs in a potentially severe downturn when the Fed has used up most of the arrows in its quiver by lowering short-term interest rates close to zero. Remember, it was only a few years ago that there was serious concern about deflation, falling prices, and a Japanese-style lost decade, which would have made the debt problems of households, corporations, and governments far more severe and the conducting of monetary policy far more difficult.

Few economists believe we can push the unemployment rate much lower than 5 percent without accelerating inflation and risking much worse economic harm.

The Bush tax cuts were one of the best-timed and most efficacious uses of fiscal policy ever, although it would have been better to have implemented all the rate cuts in 2001, rather than phasing them in slowly. Better still to have combined the tax cuts with effective control of future spending as the economy returned to full employment. But it is no coincidence that a moribund economy mired in a slow, uneven, uncertain recovery took off exactly when the 2003 tax cuts were passed.

Kerry and Edwards wanted to repeal the centerpieces: the reduction in the top two tax rates and the dividend and capital gains relief. They said it would have been better temporarily to provide larger rebates for lower- and middle-income people and dole out more cash to state and local governments. First, the evidence is that temporary tax rebates have very little stimulative effect. Second, the lower rates and dividend and capital gains relief moved us closer to an "optimal" tax base by significantly reducing the double taxation of saving and investment. Indeed, if the Kerry-Edwards concern was the potential long-run harm of deficits crowding out private capital formation, their proposal to raise taxes on private capital formation was very strange.

To be sure, the deficits (and lower tax rates) have longer-run consequences. The CBO projections of the president's budget over the next decade show a debt-GDP ratio peaking at just above 40 percent in two or three years,

then stabilizing below the post–World War II historical average and far below Euroland and Japan. This is hardly a debt spiraling out of control, leading to inflation fears fueling a financial crisis and economic calamity. It would be better to reduce the debt-GDP ratio over the next 10 years, preferably by controlling spending still further and by fostering still stronger economic growth. President Bush's proposal for personal accounts in Social Security does have short-run costs and should be combined with other reforms. Kerry and Edwards explicitly ruled out all reforms in benefits, which left only tax increases or bigger deficits. As to Medicare, the president's prescription drug program has some good reform elements but was not financed; Kerry and Edwards complained it wasn't large enough, again leaving even larger tax increases or even larger deficits.

Over the next several decades, federal income taxes as a share of GDP under current law are scheduled to rise enormously. Real bracket creep, the alternative minimum tax, and other lesser factors will drive up the total federal tax burden by one-third relative to the long-run historical average. We will need continued spending control and tax cuts if we are to maintain our flexible, dynamic market economy.

The economy is growing at a decent clip, real after-tax incomes are rising, and inflation and interest rates are low. In light of the bursting of the stock market bubble, the recession, and the terrorist attacks, this is pretty impressive.

The Kerry-Edwards campaign was no better at micro- than macroeconomics. Suggesting that it's the government's role to prevent any price from rising (tuition, gasoline, pharmaceuticals) is reminiscent of the former Soviet Union, where prices never went up but where there were never any goods available at those stable prices (the "true" prices were those in the black markets). The government's responsibility, exercised through the Federal Reserve, is to use monetary policy to achieve the goal of overall price stability. Any economy worth participating in has some prices going up, others going down, some moving sideways at different times, depending on supply, demand, technological changes, events abroad, and so forth. The genius of our econ-

omy is that it is more adaptable to such changes than any other major economy. The overall consumer price index—which is widely known to overstate inflation—has risen at an annual average rate of just over 2 percent since Bush assumed office. Arithmetic requires that the prices of other goods must be going down (computers, consumer electronics, household appliances, cell phones), for which President Bush is no more responsible than for the price increases.

The Bush tax cuts were one of the best-timed and most efficacious uses of fiscal policy ever. It is no coincidence that a moribund economy mired in a slow, uneven, uncertain recovery took off exactly when the 2003 tax cuts were passed.

Finally (only because I'm running out of space), the Kerry-Edwards campaign blamed President Bush for the flu shot fiasco. Having just given the lecture on why firms shut down (when price doesn't cover average variable cost, including normal profit), even my freshmen students caught on immediately that we went from five to two firms producing flu vaccine (and 25 to 5 for all vaccines) because the cost was driven up (by regulation and class-action litigation risks) and the price, down (government buying power). The Kerry-Edwards campaign, complaining of rip-offs, promised more of this in health care and prescription drugs. We grant temporary monopolies with patents for a reason: to encourage innovation. Most citizens would prefer a stream of new, privately produced prescription drugs in process to a lower-cost supply, vulnerable to disruption and a dried-up innovation pipeline. (There is a legitimate issue of the rest of the world free riding and U.S. consumers paying most of the bill for expensive R&D.)

The Kerry-Edwards campaign advisers may have been courting a narrow slice of the electorate in a few swing states, but they had their candidates sounding pretty foolish to the rest of us.

Economic policy should be aimed primarily at maximizing non-inflationary economic growth (the denominator, not just the numerator, of the debt-GDP ratio). That would require (1) the lowest possible tax rates; (2) rigorous spending control; (3) gradual Social Security and Medicare reform; (4) reg-

ulatory and litigation reform; (5) trade liberalization; and (6) sound monetary policy. That recipe is most likely to lead to rising living standards, low unemployment, better-paying jobs, and upward economic mobility for those who have not yet made it on the economic ladder. It would also keep the debt-GDP ratio well under control.

President Bush promised a more modest role of government, trade liberalization (for example, supporting the Doha round), a lighter hand of government regulation, reining in frivolous litigation, slow growth of government spending, and lower taxes: in short, about the right mix, although one can argue with the details. To be sure, the first term was far from perfect (too much spending, steel tariffs, etc.). Kerry and Edwards, on the other hand, proposed quite a bit more spending, higher taxes, especially on capital formation, greater government regulation, and restrictions on global trade. Avoiding the hyperbole that flew around on the campaign trail, that plan would have been a sizable—not gigantic—step toward a Western European–style social welfare state, with its concomitant double-digit unemployment and economic stagnation. So which candidates were out of touch with economic reality? ◻

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Entrepreneurship and Democracy

Entrepreneurs as the revolutionaries of our time. **By Pitch Johnson.**

Entrepreneurship and democracy are closely linked because they are two dimensions of personal freedom. These and the other freedoms that are widely agreed upon in many societies as ideals are related to and reinforce each other. These freedoms are not really separate concepts but are all facets of the same diamond and inseparable over time. Entrepreneurs are revolutionaries because they use economic freedom to challenge existing economic, social, and political structures.

FACETS OF FREEDOM

A difficult balance is required so that the exercise of one kind of freedom in a society does not unduly diminish the exercise of the others. Nearly every country has a constitution, and many have laws, that supposedly both protect individual freedoms and limit them. The people in a working democracy, however they express their will, play the ultimate role in defining the extent of those freedoms.

Entrepreneurs, by exercising their economic freedom to serve markets as they see fit, are key players in promoting the political freedom that brings

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and sustains democracy. They constantly challenge the economic status quo. They give consumers wider choices because of the constant flow of new products and services, and those consumers cast their economic votes as to which companies succeed and which fail.

Business skills and markets should be the primary determinant of the success of young companies, but societies often impose some restraints on which markets new companies are free to serve and by what methods. Although some limitations on entrepreneurs are necessary to curtail business activities that are counter to public safety, a minimum of such limitations is vital so that goods and services can come to market and individuals can decide for themselves what they want to consume and at what price. This activity is very much akin to having the ability to vote for the politicians who will make the laws that govern, one hopes to a minimum, daily lives. The existence of one of these facets of freedom inevitably leads, over time, to the creation of the other. Restrictions on one, likewise, will lead to restrictions on the other.

Democracy works best when there is turbulence in society, when those not already well-off have a chance to climb the economic ladder by using brains, energy, and skill to create new markets or to serve existing markets better.

Although a minimum of restraint is desirable, governments often do inhibit entrepreneurial actions that their societies believe to be deleterious to the freedoms or safety of other individual citizens. Some limitations are obvious, such as laws against murder and robbery or, more mundanely, the protection of contracts with means of redress. Other inhibitors, such as antitrust laws, protection for the environment, and regulation of the sale of various substances, are widely adopted but remain the subject of continuing debate, particularly the degree to which economic freedom is vitiated and increases in public well-being are limited.

Governments that go much further and keep entrepreneurs out of markets, regulate heavily how they are served, or make starting a company a bureaucratic nightmare are not acting in the interests of the societies who create them.

They are weakening the individual freedoms of their citizens by limiting their selection of goods and services and inhibiting the challenge of entrepreneurs to the existing order. Citizens of democracies should choose governments that will not take away their own freedom to make decisions and have those decisions made instead by "wise people" in a central place who approach their duties, from both left and right, often in the name of helping the poor or public safety.

Entrepreneurs are essentially revolutionaries because they use economic freedom to challenge existing economic, social, and political structures.

In the end a society has to find a balance among the several facets of freedom, normally thought of as political, personal, and economic freedom. Other freedoms or rights sometimes asserted as fundamental, such as freedom from want or the right to education, health care, or equal opportunity, are important but derivative because they depend heavily on economic prosperity, itself partly dependent on entrepreneurial activity, a function of economic freedom.

A study by David Birch at MIT more than 20 years ago and recent data from the United States Bureau of the Census suggest that all the net new jobs in the United States come from companies less than 10 years old. Such young companies are the work of entrepreneurs.

ENTREPRENEURS FOSTER DEMOCRACY

Successful entrepreneurs create new wealth and economic power and make it more difficult for the older generation to maintain its economic power and the political influence that goes with it. Democracy works best when there is this kind of turbulence in the society, when those not already well-off have a chance to climb the economic ladder by using brains, energy, and skill to create new markets or serve existing markets better than their older competitors. These ideas were expressed long ago by von Mises, Hayek, and Schumpeter, and the laboratory of human experience has both suggested and proved their hypotheses.

In countries that have given up on government ownership of most businesses, including most of the old socialist states, the entrepreneurs have filled the market voids and are strong forces promoting the other aspects of

freedom, especially political freedom. China, for instance, seems to be moving, although glacially, toward more political debate and open democracy, and its many entrepreneurs are a clear force behind such moves. However, many industries in China are kept in the hands of the state and thus off-limits to the new energies, capital, and skills of entrepreneurial groups. Although economic freedom and political freedom are linked, it often takes time for one to lead to the other, especially where there is an undemocratic, entrenched form of government.

Entrepreneurs are important in fostering democracy because the opportunity to create entrepreneurial companies is widely available to people at all economic levels, even though this is untrue in many countries and completely true in none. It is reasonably true in the United States, where, at least in technological start-ups, people from all economic levels who have been able to obtain good educations have been successful. In more than 40 years of observing new technology companies, I have observed little correlation, among educated people, between inherited family wealth and creating successful companies. Although there are many examples of people from difficult family beginnings finding a way to succeed, poorer people often cannot take advantage of educational opportunities. The United States needs to solve this problem so as to harness the talents of as many people as possible. Widespread education is one basic component of a good entrepreneurial environment in any country.

In Russia, the time from the rebirth of entrepreneurship in the 1990s to the present is too short to draw any firm conclusions, but it appears that the broadly based availability of good education has brought forth entrepreneurs from families of all levels of economic, political, and social status.

THE ENTREPRENEURIAL CLIMATE

Broadly based education, however, is just one element of an environment that fosters entrepreneurs. Another closely related one is the availability of a pool of talent and knowledge, which implies that there must be not only a good general education but education in science, engineering, and the various skills of business. A large fund of scientific and technical knowledge must also be available for potential entrepreneurs to draw on, which means active research in science by academic institutions, business, and government.

Another element is a moderate tax rate for businesses and individuals so that money earned can be kept and capital built. Venture capital is also vital to fostering the founding and growth of new businesses, providing not only money to young businesses but sophisticated help and advice. Commercial banks willing to lend to smaller businesses are also vital for short-term finance. An active investment banking sector, coupled with public stock markets, gives successful, growing companies access to large amounts of capital and entrepreneurs and their investors a pathway to liquidity.

Although economic freedom and political freedom are linked, it often takes time for one to lead to the other, especially where there is an undemocratic, entrenched form of government.

Underlying all these elements is a system of laws and courts to establish and protect private property and contracts, create workable business entities, protect competition, and provide bankruptcy procedures for companies who fail.

One final element is a broad acceptance of the fact that entrepreneurs are engaged in an activity that is admirable and vital to the success and growth of a country.

CONCLUSION

Entrepreneurs will form companies if permitted and protected by the legal system. Other conditions foster entrepreneurial growth, and governments can play a role in establishing those conditions. By being able to exercise their economic freedom, entrepreneurs reinforce political and personal freedoms and are an important force in establishing and maintaining an open democracy. Entrepreneurs are the revolutionaries of our era. □

Adapted from a speech at the Russian Venture Fair in St. Petersburg on October 8, 2004.

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Pathological Science

Health scares based on bad data represent a growing problem.

By Henry I. Miller.

In a landmark 1953 speech, chemistry Nobel laureate Irving Langmuir told of his visit to the laboratory of J. B. Rhine at Duke University, where Rhine was claiming that results from his ESP experiments could not be predicted by chance and ascribing them to psychic phenomena. Langmuir discovered that Rhine was only selectively counting the data in his experiments, omitting the scores of those he believed were guessing in order to humiliate him. The evidence? Rhine felt that some of the scores were too low to have occurred by chance and that it would, therefore, actually be misleading to include them.

Langmuir dubbed this deviation from the principles of the scientific method "pathological science," the "science of things that aren't so."

Variations on this sort of chicanery are increasingly common among certain self-styled public interest groups, who are less devoted to fudging data to get the right answer than to grossly misrepresenting the results in order to achieve some hidden agenda. Most often, that agenda is not protection of public health or the environment but intractable opposition to, and obstruction of, whatever research, product, or technology the activists happen to dislike. Often, the targets of activists' opprobrium are socially beneficial and highly cost-effective products or processes.

Activists often try to stigmatize whatever they dislike via guilt by association with greedy or irresponsible "corporate interests." But for several reasons, including the importance of corporate branding, avoidance of liability, and a desire to succeed in the marketplace, industrial research most often adheres

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to high professional and legal standards, including peer review. When it doesn't, the scientific method and market forces collaborate to ensure that, ultimately, dishonesty and deceitfulness are exposed and punished.

What makes false alarms hard to expose is the impossibility of demonstrating the absolute safety of any activity or product: There is always the chance that we haven't yet gotten to the nth hypothetical risk or to the nth dose or the nth year of exposure, when the risk will finally be demonstrated.

By contrast, activist-funded "research" is commonly held to a far lower standard. The activists' claims are invariably promoted by alarmist press releases and reported by the media, but seldom are they independently peer-reviewed or published in scientific journals. Sadly, policymakers, the media, and the public come to accept this pathological science as credible, especially after it is repeated again and again.

Examples have become more frequent as special interests promote health scares as a way to support litigation. The distortion of science has given rise to flawed policies and regulations, interference with research that offers potential benefits to society, increased public health risks, unwarranted scares, frivolous lawsuits, and higher costs of R&D.

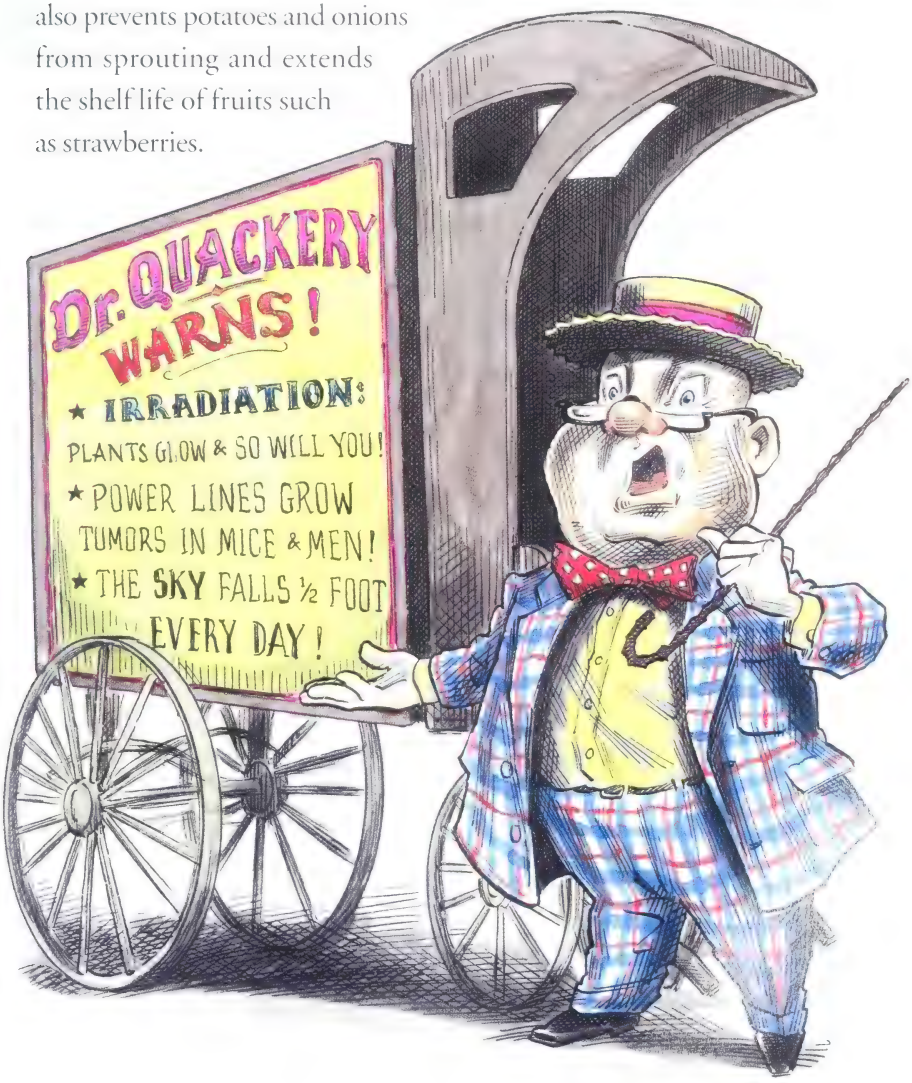
Some examples follow:

- In 1998, British researchers published a study that suggested an association—but not causation—between the administration of measles-mumps-rubella vaccine and an increased risk of autism.

  That prompted speculation that the culprit might be thimerosal, an ethylmercury-containing preservative in the vaccine. Despite the fact that the initial study was based on only 12 children, its results were widely publicized, causing some parents and hospitals to stop or delay vaccinations for newborns and children. Subsequent studies of much larger groups of children have not confirmed such an association, however; and the overwhelming consensus among scientists and physicians is that no such link exists.

Nevertheless, this incident inflicted incalculable damage on the public's confidence in vaccination and on individual children deprived of protection from life-threatening diseases.

- Food irradiation—a process in which foods are treated with ionizing radiation—applied commercially was an historic breakthrough in food processing. First and foremost, it makes our food both safer and cheaper, by delaying the spoilage of highly perishable fresh fish and shellfish and greatly reducing the numbers of microorganisms in spices and of bacteria and parasites in meats and poultry. It also prevents potatoes and onions from sprouting and extends the shelf life of fruits such as strawberries.



Although more than 50 years of scientific research have established that food irradiation has little or no effect on flavor and that it is safe and highly effective, the FDA's gradual approval of new applications of irradiation has been opposed at every turn by anti-nuclear activists. Contrary to their claims, irradiated foods contain no by-products unique to the process and the process is hazardous neither to workers nor to the environs of treatment plants.

In the realm of food processing, irradiation—the most extensively studied food technology in history—is, along with pasteurization, the closest thing we have to a "free lunch."

- The supposed hazards of electromagnetic radiation—which is emitted from a variety of sources including overhead power lines, electric blankets, computer terminals, and electric razors—has excited the imagination of many. For example, after a Florida woman developed a brain tumor behind her right ear—where she had usually placed her cell phone—her husband blamed her illness (and subsequent death) on radiation from the cell phone and filed suit against the phone's manufacturer. After the husband's 1993 appearance on CNN's *Larry King Show,* other, similar lawsuits followed. None was successful, and within several months the scare was forgotten.

  This kind of health scare is an example of the *post hoc, ergo propter hoc* fallacy (believing that because two events are temporally related, they must be causally related). Fallacy it might be, but it lends itself well to the way that Americans these days often learn about safety and risk: "Could your cell phone give you cancer? Details at 11!" In fact, at the current rate of occurrence of brain cancers, about 3,600 cases would be expected to occur among 60 million owners of cell phones, whether or not they use them.

- In 2003, something called the Environmental Working Group (EWG) claimed to have evidence that the farm-raised salmon eaten regularly by millions of Americans contain high levels of PCBs. PCBs commonly were identified in the press coverage as a "toxin," "probable human carcinogen," or "cause of cancer and nervous system damage."

  These reports were grossly misleading. At levels of environmental exposure, PCBs have not been shown to cause cancer or any other disease

in humans. The "study," which was based on a sample of only 10 fish, was condemned by experts at a variety of institutions, including the Harvard School of Public Health, the U.S. Food and Drug Administration, and the highly respected American Council on Science and Health. Unfortunately, the criticisms came only after EWG's report had generated national media coverage; the criticism received little attention from the media.

The distortion of science has given rise to flawed policies and regulations, interference with research that offers potential benefits to society, increased public health risks, unwarranted scares, frivolous lawsuits, and higher costs of R&D.

On its website, the EWG makes no pretense about possessing scientific credentials or expertise, and its president once admitted to a journalist that there was not a single physician or scientist on its staff.

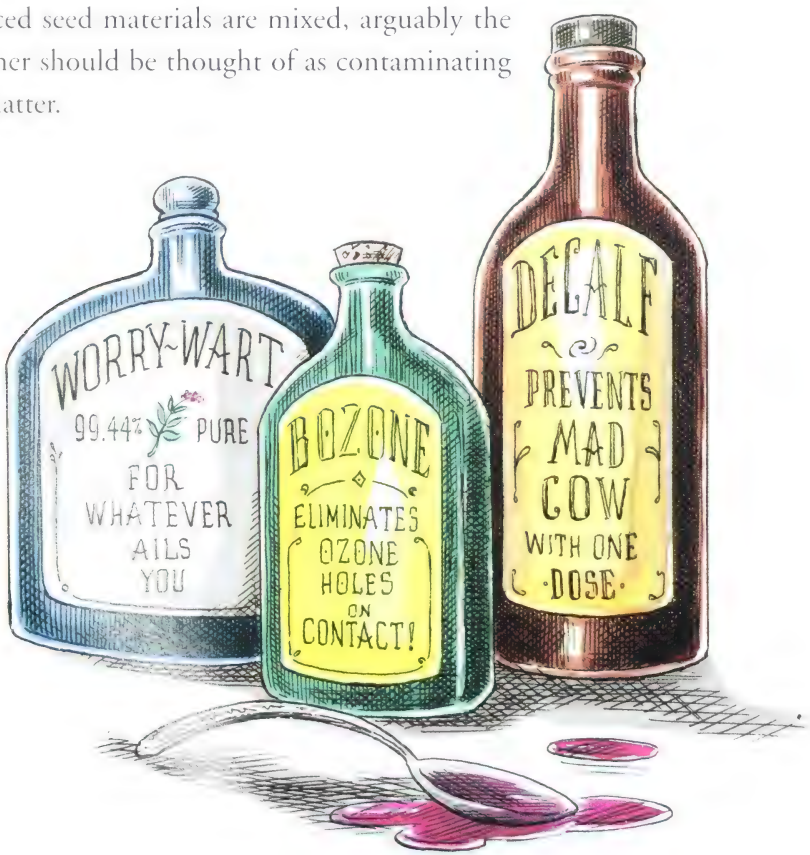
- In 1980, a Canadian newspaper reported that four women in the classified ad department of another newspaper had given birth to children with birth defects, including a cleft palate, underdeveloped eye, clubfoot, and heart problems. The fact that all the women had worked with video display terminals (VDTs) during the early stages of their pregnancies gave rise to speculation that radiation from such terminals—most of which are based on common television technology—was responsible.

  Other such "clusters" of birth defects came to light, leading to aggressive anti-VDT activism that in both North America and Europe caused management to be pitted against workers. In Canada and Sweden, merely the belief that harm could be caused by VDTs was considered to be grounds for refusal to use them.

  Over the next two decades, several large studies and repeated analyses concluded that the use of VDTs is not associated with birth defects or spontaneous abortions. The Centers for Disease Control and Prevention concluded that the clusters were random occurrences—that is, the function of probability. (If you flip a coin a million times, you'll likely come close to half a million heads and half a million tails, but along the way, there will be occasional long runs—or clusters—of heads or tails.)

- Environmental activists lately have taken to claiming that conventional crops have been "contaminated" by the finding of minuscule amounts of DNA from "genetically modified"—by which they mean gene-spliced—varieties. Their methodology is flawed, but even if the claims were accurate, they should elicit from the public nothing more than a collective yawn. Genetic modification is not new. Virtually all of the 200 major crops in the United States have been genetically improved, or modified, in some way. Plant breeders—not "nature"—gave us seedless grapes and watermelons, the tangelo (a tangerine-grapefruit hybrid), the "canola" variety of rapeseed, and fungus-resistant strawberries. In North American and European diets, only fish and wild game, berries and mushrooms may be said not to have been genetically engineered in some fashion.

  North Americans have consumed more than a *trillion* servings of foods that contain gene-spliced ingredients, with not a single untoward reaction. In fact, when conventional and gene-spliced seed materials are mixed, arguably the former should be thought of as contaminating the latter.



What makes false alarms hard to expose is the virtual impossibility of demonstrating the absolute safety of any activity or product: There is always the possibility that we haven't yet gotten to the *n*th hypothetical risk or to the *n*th dose or the *n*th year of exposure, when the risk will finally be demonstrated. It is logically impossible to prove a negative, and all activities pose some nonzero risk of adverse effects.

Pathological science may confuse not only the public but also policymakers, who may themselves be scientifically challenged. Donald Kennedy, president emeritus of Stanford University and former FDA commissioner, chides bureaucrats: "Frequently decision-makers give up the difficult task of finding out where the weight of scientific opinion lies, and instead attach equal value to each side in an effort to approximate fairness. In this way extraordinary opinions . . . are promoted to a form of respectability that approaches equal status."

This kind of undeserved moral equivalence frequently compromises governmental decision making and has given rise to unscientific and inconsistent regulation of pesticides, biotechnology applied to agriculture, silicone breast implants, herbal dietary supplements, and innumerable other products and technologies.

No one should mistake activists' misdemeanors for naive exuberance or excessive zeal in a good cause. Their motives are self-serving and their tactics callous—an ongoing example of the sentiments expressed by Linus Van Pelt in the Peanuts comic strip: "I love humanity; it's people I can't stand."

People who understand these issues need to do a better job of educating the large segment of the public that is uninformed—not only about the science but also about the sophistry of those who would abuse it. □

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Bush's War on Poverty

The Bush administration is promoting a 10-year program to eradicate homelessness in America. Is this goal attainable? **By Jeffrey M. Jones.**

The American political landscape is forever changing. Each year brings new challenges and new priorities. The past year has featured an intense effort to reform the nation's homeless policy. Led by the federal Interagency Council on Homelessness, hundreds of cities and counties across the country are working on 10-year plans to end chronic homelessness. But what does this vision promise and what might it actually deliver? How does targeting chronic homelessness improve the lives of homeless persons and the condition of our communities? What are the key features of the plan to end chronic homelessness?

THE PRIORITY

What makes this new policy agenda unique is its focus on the *chronically* homeless. Past efforts to confront homelessness paid less attention to this group and instead targeted families with children, which are often seen as more deserving. But with this new plan, the emphasis now rests squarely on the hardest cases.

Studies suggest that the homeless can be broken down into three distinct subgroups. Most (80 percent) can be classified as *temporarily* homeless—

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Editor's note: This—the first of a two-part article—focuses on the promise of recent initiatives in the battle against chronic homelessness. The second part, which will appear in the next issue of the *Digest*, will assess whether these initiatives are realistic and the goals achievable.

they become homeless once or twice in a lifetime and remain so for just over a month before securing permanent housing. A second subgroup, the *episodically* homeless, account for approximately 10 percent. They enter and exit the sheltering system numerous times over a given year and stay an average of two months at a time. The remaining 10 percent are *chronically* homeless, virtually living in the system, averaging 280 days per shelter stay, often remaining homeless for years.

The chronically homeless are the most visible, living on our streets, in our transit centers, and under our bridges. They panhandle for pocket change and push shopping carts piled high with their possessions. There are anywhere from 150,000 to 200,000 chronically homeless persons in cities, suburbs, and rural areas across America.

The strong sense is that now is the right time to deal with the persistent crisis of homelessness. Advocates believe that chronic homelessness is a finite problem that can be solved if local, state, and federal efforts are coordinated to that end.

They tend to be unaccompanied individuals with disabling conditions, ranging from psychiatric illnesses to substance abuse and serious health issues. Indeed, most chronically homeless persons suffer from multiple overlapping problems that culminate in a downward spiral of destructive behavior resulting in poor educational achievement, an unstable work history, dependence on drugs or alcohol, criminal activity leading to incarceration, and frequent hospitalization. Make no mistake; these are the hard-core homeless, living lives of real desperation.

So what is the purpose behind moving this population to the forefront of homeless policy? The primary rationale is that this subgroup uses a disproportionate amount of homeless assistance resources, resulting in a system that is inefficient and ineffective for many of the temporarily and episodically homeless. A 2001 Urban Institute study found that the chronically homeless consume 50 percent of the sheltering resources. In addition, they are heavy users of other public services such as emergency rooms, mental health centers, detox facilities, and courts and jails.

Other compelling reasons for targeting chronic homelessness include community safety and attractiveness, new research into effective interventions, and the commitment made by President Bush to address this problem. The strong sense is that *now* is the right time to deal with this persistent crisis. Advocates believe that chronic homelessness is a finite problem that can be solved if local, state, and federal efforts are coordinated to that end. It is to the key players at each of these levels that we now turn.

THE PLAYERS

Credit for the idea of a 10-year plan to end chronic homelessness rests with the National Alliance to End Homelessness (NAEH), a nonprofit organization based in Washington, D.C. The NAEH outlined the concept as part of a more ambitious plan, introduced in July 2000, to end homelessness altogether. The goal caught the attention of Housing and Urban Development (HUD) Secretary Mel Martinez, who endorsed it in a keynote address at the NAEH's 2001 conference. Because HUD is one of the main federal agencies responsible for overseeing homeless assistance measures and funding, the secretary's buy-in was a key factor in promoting the plan.

Still, many good ideas never make it past the departmental level. But when the goal to end chronic homelessness showed up in President Bush's 2003 budget, things began to roll. The president reinvigorated the Interagency Council on Homelessness (ICH), which had been dormant for the preceding six years. He charged it with coordinating 18 federal departments and agencies in an effort to create "innovative initiatives that will bring change in the lives of those who are homeless and at risk of homelessness and change on the streets of our country." The ICH wasted little time in implementing the new priority.

Among the first steps were efforts to reestablish structural links between the federal government and state and local municipalities. At the state level, the ICH contacted each governor and encouraged her or him to create state interagency councils on homelessness similar in nature to the federal council. To date the effort has been overwhelmingly successful—50 out of 54 U.S. states and territories have developed or are in the process of developing councils. The response from local communities has been equally impressive. As of November 2004, more than 150 cities/counties had begun the 10-year

planning process and at least 30 had a completed plan in place, including such major cities as Atlanta, Chicago, Dallas, Indianapolis, New York, San Francisco, and Washington, D.C.

Developing a 10-year plan brings together a large number of players, including homeless assistance providers and other public, private, and nonprofit entities. It begins with a call from the mayor or county executive and extends down to every key stakeholder in the local community. The ICH recommends that the following stakeholders support and participate in the planning process: municipal agency/department heads, business and civic leaders, law enforcement officials, the United Way, chambers of commerce, housing developers and service providers, hospital administrators, individuals experiencing chronic homelessness, nonprofits, faith-based organizations, and the general public.

Information about who is homeless and why, what services they use, and which programs are most effective at ending homelessness is critical to creating a system that is strategic and outcome driven. Too often these questions go unanswered.

The final key is money. The first sign of serious financial investment came in 2002, when the ICH announced that three federal departments—HUD, Health and Human Services (HHS), and Veterans Affairs (VA)—had agreed to a unique collaboration. The agencies jointly committed $35 million to provide permanent supportive housing to chronically homeless persons living on the streets and in shelters.

As of this writing, Congress is still considering legislation put forth by the president to extend and expand the HUD/HHS/VA collaboration. The "Samaritan Initiative," if enacted, would authorize $70 million in new resources for the interagency effort and cement the federal government's commitment to ending chronic homelessness by integrating "health care, psychiatric evaluation and substance abuse counseling while simultaneously providing secure and adequate housing." Additionally, the legislation places more emphasis on accountability to ensure that the end goal is reached, stressing the importance of carefully documenting the reduction in the number of chronically homeless persons.

This new funding represents a small fraction of the total resources directed at fighting homelessness when federal, state, local, and private means are taken into consideration. HUD alone awarded nearly $1.3 billion in homeless assistance last year and for the first time highlighted the 2,379 projects that are either targeting or exclusively serving the chronically homeless. As states and communities across the country finalize and begin to implement 10-year plans, the money earmarked for this endeavor will only continue to increase.

THE PLAN

With an understanding of the target population and the political players, it remains to be seen what it will actually take to end chronic homelessness. This is a tricky task, given the decentralized nature of homeless services in the United States. Although the president can issue a challenge, it falls on individual cities and counties to design plans based on their local needs and resources.

The availability of affordable housing must be increased—either through rental subsidies or public housing—so that lower-income Americans can be kept out of homelessness.

The original plan laid out in 2000 by the NAEH provides a blueprint for change that is both critical and constructive. The plan specifies the simultaneous application of four steps:

- **Planning for outcomes.** The NAEH plan describes a combination of improving data collection and planning to end homelessness. Information about who is homeless and why, what services they utilize, and which programs are most effective at ending homelessness is critical to creating a system that is strategic and outcome-driven. Too often these questions go unanswered. Likewise, existing homeless assistance networks focus more on managing the problem than on ending homelessness. By changing the goal, communities can become re-energized and seek strategies that foster greater collaboration on the initiative. Ending chronic homelessness requires the engagement of new partners who become stakeholders in the plan.

A dynamic planning process that seeks real-world results, says the NAEH, is essential to success. The ICH thus has put planning for outcomes at the front of its agenda.

- **Closing the front door.** Preventive mechanisms must be built into the homeless response system. Individuals and families move out of homelessness every day, but the shelter beds they vacate are quickly filled by others. The NAEH plan recognizes that persons who become homeless are typically clients of other "safety net" programs, such as welfare, mental health clinics, and the juvenile justice system. The providers of these mainstream services must do a better job of preventing their clients from becoming homeless. Two methods are introduced in the plan. First, the community must persuade mainstream service providers of the cost-effectiveness of moving at-risk clients into suitable housing rather than a homeless shelter. (The "free" shelter actually carries with it high public costs due to the destabilizing nature of homelessness.) Second, service providers should participate in a system of rewards and penalties to help prevent homelessness among their clientele.

- **Opening the back door.** Persons currently experiencing chronic homelessness must be moved off the streets and into permanent supportive housing (housing with services), with aggressive intervention for those who seem content to live in shelters or alleys. The NAEH plan calls for providing 150,000 permanent supportive housing units within 10 years. By that final year, the cost for creating and sustaining the housing would be an estimated $1.3 billion per year—the same amount as HUD spends now on all its homeless programs. But considerable savings are expected as the chronically homeless reduce their overuse of expensive public systems and cease being a drain on homeless assistance programs.

- **Building the infrastructure.** This refers to a combination of housing, income and services that the NAEH maintains have been weakened over the past 25 years. The availability of affordable housing must be increased—either through rental subsidies or public housing—so that lower-income Americans can be kept out of homelessness. At the same time, measures must be taken to lift the incomes of the working poor. A strengthening economy

will help, but wages and benefits must rise so that more households can afford housing, health care, and food. Finally, a variety of services are needed by those in poverty, including mental health treatment, job training, substance abuse counseling, education, and child care. These services and many others must be fully funded to ensure that those in need do not experience the crises that lead to homelessness. The NAEH plan is clear: "Attempts to change the homeless assistance system must take place within the context of larger efforts to help very poor people."

❖

Ending chronic homelessness in 10 years is a bold and enterprising objective. The excitement it has created at the local, state, and national level is real. But questions remain that suggest a more cautious enthusiasm. Has the Bush administration promised too much? Are the strategies outlined by the NAEH practical? What specific changes are cities and counties putting in their 10-year plans? What revisions should be made to ensure success? These questions will guide the analysis to come in the second part of this article. By the end, a clearer picture will emerge of this twenty-first-century endeavor to solve an age-old problem. ◻

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Reagan, Tearing Down That Wall

Remembering the man who, in Margaret Thatcher's words, "won the Cold War . . . without firing a shot." **By Dinesh D'Souza.**

With the recent celebration of the fifteenth anniversary of the fall of the Berlin Wall, it's worth asking how and why did the wall come tumbling down? I argue that it was Ronald Reagan's statesmanship that brought it down and hastened the collapse of the Soviet empire. Reagan didn't do it alone, but without him it probably wouldn't have happened.

As early as 1981, when almost everyone considered the Soviet empire a permanent fixture of the international landscape, Reagan spoke at the University of Notre Dame, predicting that "the West won't contain communism; it will transcend communism." The next year, he told the British Parliament that freedom and democracy would "leave Marxism-Leninism on the ash heap of history." The wise men in the media and academia scoffed. Today these same pundits maintain that the Soviet Union collapsed because of economic failure or that Mikhail Gorbachev was responsible.

This analysis makes no sense. Sure, the Soviet Union had economic problems, but it had been ailing for most of the century. Never has a great empire imploded because of poor economic performance alone. Like many empires suffering from domestic strains, the Soviets during the 1970s compensated

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by pursuing an aggressive foreign policy. Between 1974 and 1980, 10 countries fell into the Soviet orbit: South Vietnam, Cambodia, Laos, South Yemen, Angola, Mozambique, Ethiopia, Nicaragua, Grenada, and Afghanistan. The Soviet nuclear arsenal surpassed that of the United States, and the Soviets targeted a new generation of missiles at Western Europe. The Soviet Union in 1980 seemed to be in the vanguard of history.

It is no less problematic to attribute the Soviet collapse to Gorbachev. He was undoubtedly a reformer, but the communist bosses did not put him in power in 1985 to lead the party, and the regime, over the precipice.

Neither did Gorbachev see this as his role. He insisted throughout the second half of the 1980s that he sought to invigorate the economy in order to strengthen the military. The Politburo supported his reforms because he promised "regained confidence in the party." No one was more surprised than Gorbachev when the Soviet regime disintegrated.

The only man who foresaw the Soviet collapse and implemented policies to bring it about was Reagan. During his first term Reagan pursued tough policies aimed at curtailing the Soviet nuclear threat and stopping Soviet advances around the world. Calling the Soviets an "evil empire," Reagan initiated a massive defense buildup. He deployed Pershing and cruise missiles in Europe. He sent weapons and other assistance to anti-communist guerrillas in Soviet satellites such as Afghanistan, Angola, and Nicaragua. He announced a new program of missile defenses that would eventually "make nuclear weapons obsolete."

These measures were fiercely resisted by liberal Democrats, who decried Reagan's policies as confrontational and likely to make nuclear war more likely. But Reagan's military buildup and his missile defense program threatened the Soviets with an arms race they could ill afford. His doctrine of aid to anti-communist guerrillas halted Soviet advances in the Third World: Between 1980 and 1985, not an inch of real estate fell into Moscow's hands.

It was Reagan who was responsible for thwarting Soviet gains and spurring a loss of nerve that contributed to the elevation of Gorbachev to power. Gorbachev's policies were responses to circumstances

created not by him but by Reagan. Ilya Zaslavsky, who served in the Congress of People's Deputies, said later that the true originator of glasnost and perestroika was not Gorbachev but Reagan.

The only man who foresaw the Soviet collapse and implemented policies to bring it about was Ronald Reagan.

Reagan immediately recognized Gorbachev as a new breed of Soviet leader. He supported Gorbachev's reforms and arms control initiatives, and this time it was the conservatives who criticized him as being naive and credulous. William F. Buckley Jr. warned that Reagan's new stance was "on the order of changing our entire position toward Adolf Hitler." The criticism missed the larger current of events that Reagan alone appeared to have understood. In attempting to reform communism, Gorbachev was destroying the system. Reagan encouraged him every step of the way.

Today we face new challenges, such as Islamic radicalism and fundamentalism, which require a different type of leadership and strategy of combat. Even so, 15 years after the wall came down, we should pause to reflect on the prescient leadership of the man who, in Margaret Thatcher's words, "won the Cold War . . . without firing a shot." ◘

This essay appeared in the *Los Angeles Times* on November 7, 2004.

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One Hundred Years Ago in Russia

The first Russian revolution. **By Arnold Beichman.**

In 1962, President John F. Kennedy said, "Those who make peaceful revolution impossible will make violent revolution inevitable." I thought of these momentous words as I recalled that this is the centennial year of the first Russian Revolution, which began on what is known as Bloody Sunday, January 22, 1905.

It all started with Father Gapon, a prison chaplain. He led a group of St. Petersburg workers hoping to present to Tsar Nicholas II a petition signed by 135,000 persons calling for political freedoms, including an amnesty for political prisoners and an 8-hour day at a time when 14 or 15 hours were an accepted employer practice. Facing mounting costs of living, the petitioners called for tax reforms including a graduated income tax.

Gapon was no ordinary priest. According to the British historian Robert Service, Gapon fascinated Lenin and had long conversations with him in 1905–6. Lenin recognized that Gapon had an intuitive feel for the Russian workers. Unfortunately, the Socialist-Revolutionary Party suspected Gapon of being a police spy and murdered him in Finland in 1906.

Bloody Sunday arose after the crushing defeats of the tsarist army and navy during the Russo-Japanese war, climaxed by the fall of Port Arthur. The Gapon petitioners demanded an end to the war immediately. They

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1905: The Path to October. **A Soviet poster from 1929 (now housed in the Hoover Archives) commemorates the 1905 revolution, which was seen as a precursor of the 1917 Bolshevik revolution.**

carried portraits of the tsar and saints of the Russian Orthodox Church as they gathered on Winter Palace Square. Without warning, the palace guards fired on the demonstrators, killing 100 and wounding several hundred more.

The uprising of 1905 was the dress rehearsal for the Bolshevik revolution.

The 1905 tsarist massacre inspired a spirit of revolt throughout Russia, but it was unorganized and had no agreement on ultimate aims. At one point some 3 million workers were on strike. Even more unprecedented was the organization of a nationwide peasant union. It was then that the word "soviet" was first heard, which means nothing more than "council."

It was a great opportunity for a revolutionary genius like Lenin, who had put it all in the revolutionary cookbook *What Is to Be Done?* published in 1902. He realized that the 1905 Bloody Sunday would accomplish little. Tsardom re-emerged, a little blood spattered but very much unbowed. A few Band-Aid reforms were introduced but they didn't matter. One can argue, counter-factually, that had the tsar stayed out of World War I, the Romanov dynasty might have survived and we wouldn't be wondering if Anastasia had been the sole Romanov survivor.

Lenin ignored Marx's "law" that a true proletarian revolution had to be preceded by a bourgeois revolution. He had learned the lessons of 1905, the biggest of which was that, to make a revolution, you needed a controlled party of dedicated revolutionaries.

The year 1905 has been described as the dress rehearsal for the Bolshevik revolution, the low rumbling waves that preceded the tsunami of 1917. One wonders whether looking back from 2105 the world will look as awful as it does today looking back on the last 100 years: two world wars, scores of little wars, the age of the H-bomb and, of course, 9/11. □

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The Gulag: Lest We Forget

The more we are able to understand how various societies have transformed their neighbors and fellow citizens from people into objects, and the more we know of the specific circumstances that led to each episode of mass torture and mass murder, the better we will understand the darker side of our own human nature.

By Anne Applebaum.

In the early autumn of 1998, I took a boat across the White Sea, from the city of Arkhangelsk to the Solovetsky Islands, the distant archipelago that was once home to the Soviet Union's first political prisons. The ship's dining room buzzed with good cheer. There were many toasts, many jokes, and hearty applause for the ship's captain. My assigned dining companions, two middle-aged couples from a naval base down the coast, seemed determined to have a good time.

At first, my presence only added to their general merriment. It is not every day one meets a real American on a rickety ferry boat in the middle of the White Sea, and the oddity amused them. When I told them what I was doing in Russia, however, they grew less cheerful. An American on a pleasure cruise, visiting the Solovetsky Islands to see the scenery and the beautiful old monastery—that was one thing. An American visiting the Solovetsky Islands to see the remains of the concentration camp—that was something else.

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One of the men turned hostile. "Why do you foreigners only care about the ugly things in our history?" he wanted to know. "Why write about the Gulag? Why not write about our achievements? We were the first country to put a man into space!" By "we" he meant "we Soviets." The Soviet Union had ceased to exist seven years earlier, but he still identified himself as a Soviet citizen, not as a Russian.

Ten years after the collapse of the Soviet Union, Russia—the country that has inherited the Soviet Union's diplomatic and foreign policies, its embassies, its debts, and its seat at the United Nations—continues to act as if it has not inherited the Soviet Union's history.

His wife attacked me as well. "The Gulag isn't relevant anymore," she told me. "We have other troubles here. We have unemployment, we have crime. Why don't you write about our real problems, instead of things that happened a long time ago?"

While this unpleasant conversation continued, the other couple kept silent, and the man never did offer his opinion on the subject of the Soviet past. At one point, however, his wife expressed her support. "I understand why you want to know about the camps," she said softly. "It is interesting to know what happened. I wish I knew more."

In my subsequent travels around Russia, I encountered these four attitudes about my project again and again. "It's none of your business" and "it's irrelevant" were both common reactions. Silence—or an absence of opinion, as evinced by a shrug of the shoulders—was probably the most frequent reaction. But there were also people who understood why it was important to know about the past and who wished it were easier to find out more.

MONUMENTS AND PUBLIC AWARENESS

In fact, with some effort, one can learn a great deal about the past in contemporary Russia. Not all Russian archives are closed, and not all Russian historians are preoccupied with other things. The story of the Gulag has also become part of public debate in some of the former Soviet republics and former Soviet satellites. In a few nations (as a rule, those who remember them-

selves as victims rather than perpetrators of terror), the memorials and the debates are very prominent indeed.

Other than the brief, inconclusive "trial" of the Communist Party, there have in fact been no public truth-telling sessions in Russia, no parliamentary hearings, no official investigations of any kind into the murders or the massacres or the camps of the USSR.

Dotted around Russia itself, there are also a handful of informal, semi-official, and private monuments and museums, erected by a wide variety of people and organizations. Strange, surprising, individual monuments can sometimes be found in out-of-the-way places. An iron cross has been placed on a barren hill outside the city of Ukhta commemorating the site of a mass murder of prisoners. To see it, I had to drive down an almost impassable muddy road, walk behind a building site, and clamber over a railway track. Even then I was too far away to read the actual inscription. Still, the local activists who had erected the cross a few years earlier beamed with pride as they pointed it out to me.

A few hours north of Petrozavodsk, another ad hoc memorial has been set up outside the village of Sandormokh, where prisoners from the Solovetsky Islands were shot in 1937. Because there are no records stating who is buried where, each family has chosen, at random, to commemorate a particular pile of bones. Relatives of victims have pasted photographs of their relatives, long dead, on wooden stakes, and some have carved epitaphs into the sides. Ribbons, plastic flowers, and other funerary bric-a-brac are strewn throughout the pine forest that has grown up over the killing field. On the sunny August day that I visited (it was the anniversary of the murder, and a delegation had come from St. Petersburg), an elderly woman stood up to speak of her parents, both buried there, both shot when she was seven years old. A whole lifetime had passed before she had been able to visit their graves.

And yet in Russia, a country accustomed to grandiose war memorials and vast, solemn state funerals, these local efforts and private initiatives seem meager, scattered, and incomplete. The majority of Russians are probably not even aware of them. And no wonder: Ten years after the collapse of the

Soviet Union, Russia—the country that has inherited the Soviet Union's diplomatic and foreign policies, its embassies, its debts, and its seat at the United Nations—continues to act as if it has not inherited the Soviet Union's history. Russia does not have a national museum dedicated to the history of repression. Neither does Russia have a national place of mourning, a monument officially recognizing the suffering of victims and their families.

More notable than the missing monuments, however, is the missing public awareness. Sometimes it seems as if the enormous emotions and passions raised by the wide-ranging discussions of the Gorbachev era simply vanished, along with the Soviet Union itself. The bitter debate about justice for the victims disappeared just as abruptly. Although there was much talk about it at the end of the 1980s, the Russian government never did examine or try the perpetrators of torture or mass murder, even those who were identifiable.

Aleksandr Yakovlev, chairman of the Russian rehabilitation commission, put this problem bluntly. "Society is indifferent to the crimes of the past," he told me, "because so many people participated in them."

It is true, of course, that trials may not always be the best way to come to terms with the past. But there are other methods, aside from trials, of doing public justice to the crimes of the past. There are truth commissions, for example, of the sort implemented in South Africa, which allow victims to tell their stories in an official, public place and make the crimes of the past a part of the public debate. There are official investigations, like the British Parliament's 2002 inquiry into the Northern Irish "Bloody Sunday" massacre, which took place 30 years earlier. There are government inquiries, government commissions, and public apologies. Yet the Russian government has never considered any of these options. Other than the brief, inconclusive "trial" of the Communist Party, there have in fact been no public truth-telling [illegible] in Russia, no parliamentary hearings, no official investigations of [illegible] into the murders or the massacres or the camps of the USSR.

The result: half a century after the end of World War II, the Germans still conduct regular public disputes about victims' compensation, about memorials, about new interpretations of Nazi history, even about whether

a younger generation of Germans ought to go on shouldering the burden of guilt about the crimes of the Nazis. Half a century after Stalin's death, there were no equivalent arguments taking place in Russia because the memory of the past was not a living part of the public discourse.

Many, many excuses have been given for Russia's failure to build a national monument to its millions of victims, but Aleksandr Yakovlev gave me the most succinct explanation. "The monument will be built," he said, "when we—the older generation—are all dead."

The Russian rehabilitation process did continue, very quietly, throughout the 1990s. By the end of 2001, about 4.5 million political prisoners had been rehabilitated in Russia, and the national rehabilitation commission estimated that it had a further half million cases to examine. But although the commission itself is serious and well intentioned, and although it is composed of camp survivors as well as bureaucrats, no one associated with it really feels that the politicians who created it were motivated by a real drive for "truth and reconciliation," in the words of the British historian Catherine Merridale. Rather, the goal has been to end discussion of the past, to pacify the victims by throwing them a few extra rubles and free bus tickets, and to avoid any deeper examination of the causes of Stalinism or of its legacy.

THE MORE THINGS CHANGE, THE MORE THEY STAY THE SAME . . .

There are some good, or at least forgivable, explanations for this public silence. Most Russians really do spend all their time coping with the complete transformation of their economy and society. The Stalinist era was a long time ago, and a great deal has happened since it ended. Post-communist Russia is not postwar Germany, where the memories of the worst atrocities were still fresh in people's minds. In the early twenty-first century, the events of the middle of the twentieth century seem like ancient history to much of the population.

Perhaps more to the point, many Russians also feel that they have had their discussion of the past already and that it produced very little. When one asks older Russians, at least, why the subject of the Gulag is so rarely

mentioned nowadays, they wave away the issue: "In the 1990s that was all we could talk about, now we don't need to talk about it anymore."

But there are other reasons, less forgivable, for the profound silence. Many Russians experienced the collapse of the Soviet Union as a profound blow to their personal pride. Perhaps the old system was bad, they now feel—but at least we were powerful. And now that we are not powerful, we do not want to hear that it was bad. It is too painful, like speaking ill of the dead.

Some still also fear what they might find out about the past if they were to inquire too closely. Aleksandr Yakovlev, chairman of the Russian rehabilitation commission, put this problem bluntly. "Society is indifferent to the crimes of the past," he told me, "because so many people participated in them." The Soviet system dragged millions and millions of its citizens into many forms of collaboration and compromise. Although many willingly participated, otherwise decent people were also forced to do terrible things. They, their children, and their grandchildren do not always want to remember that now.

The failure to acknowledge or repent or discuss the history of the communist past weighs like a stone on many of the nations of post-communist Europe. Whispered rumors about the contents of old "secret files" continue to disrupt contemporary politics, destabilizing at least one Polish and one Hungarian prime minister.

But the most important explanation for the lack of public debate does not involve the fears of the younger generation or the inferiority complexes and leftover guilt of their parents. The most important issue is rather the power and prestige of those now ruling not only Russia but also most of the other former Soviet states and satellite states. In December 2001, on the 10th anniversary of the dissolution of the Soviet Union, 13 of the 15 former Soviet republics were run by former Communists, as were many of the former satellite states. Even in those countries not actually run by the direct ideological descendants of the Communist Party, former Communists and their children or fellow travelers continued to figure largely in the intellectual, media, and business elites. The president of Russia, Vladimir Putin, was a

former KGB agent who proudly identified himself as a Chekist, a word used to describe Lenin's political police at the time of the revolution. The dominance of former Communists and the insufficient discussion of the past in the post-communist world is not coincidental. To put it bluntly, former Communists have a clear interest in concealing the past: it tarnishes them, undermines them, hurts their claims to be carrying out "reforms," even when they personally had nothing to do with past crimes. Many, many excuses have been given for Russia's failure to build a national monument to its millions of victims, but Aleksandr Yakovlev, again, gave me the most succinct explanation. "The monument will be built," he said, "when we—the older generation—are all dead."

The secret police kept their apartments, their dachas, and their large pensions. Their victims remained poor and marginal. To most Russians, it now seems as if the more you collaborated in the past, the wiser you were. By analogy, the more you cheat and lie in the present, the wiser you are.

This matters because the failure to acknowledge or repent or discuss the history of the communist past weighs like a stone on many of the nations of post-communist Europe. Whispered rumors about the contents of old "secret files" continue to disrupt contemporary politics, destabilizing at least one Polish and one Hungarian prime minister. Deals done in the past, between fraternal communist parties, continue to have ramifications in the present. In many places, the secret police apparatus—the cadres, the equipment, the offices—remains virtually unchanged. The occasional discovery of fresh caches of bones can suddenly spark controversy and anger.

This past weighs on Russia most heavily of all. Russia inherited the trappings of Soviet power—and also the Soviet Union's great power complex, its military establishment, and its imperial goals. As a result, the political consequences of absent memory in Russia have been much more damaging than they have in other former communist countries. Acting in the name of the Soviet motherland, Stalin deported the Chechen nation to the wastes of Kazakhstan, where half of them died and the rest were meant to disappear, along with their language and culture. Fifty years later, in a repeat performance,

the Russian Federation obliterated the Chechen capital, Grozny, and murdered tens of thousands of Chechen civilians in the course of two wars. If the Russian people and the Russian elite remembered—viscerally, emotionally remembered—what Stalin did to the Chechens, they could not have invaded Chechnya in the 1990s, not once and not twice. To do so was the moral equivalent of postwar Germany invading western Poland. Very few Russians saw it that way—which is itself evidence of how little they know about their own history.

There have also been consequences for the formation of Russian civil society and for the development of the rule of law. To put it bluntly, if scoundrels of the old regime go unpunished, good will in no way have been seen to triumph over evil. This may sound apocalyptic, but it is not politically irrelevant. The police do not need to catch all the criminals all of the time for most people to submit to public order, but they need to catch a significant proportion. Nothing encourages lawlessness more than the sight of villains getting away with it, living off their spoils, and laughing in the public's face. The secret police kept their apartments, their dachas, and their large pensions. Their victims remained poor and marginal. To most Russians, it now seems as if the more you collaborated in the past, the wiser you were. By analogy, the more you cheat and lie in the present, the wiser you are.

In a very deep sense, some of the ideology of the Gulag also survives in the attitudes and worldview of the new Russian elite. The old Stalinist division between categories of humanity, between the all-powerful elite and the worthless "enemies," lives on in the new Russian elite's arrogant contempt for its fellow citizens. Unless that elite soon comes to recognize the value and the importance of all of Russia's citizens, to honor both their civil and their human rights, Russia is ultimately fated to become today's northern Zaire, a land populated by impoverished peasants and billionaire politicians who keep their assets in Swiss bank vaults and their private jets on runways, engines running.

Tragically, Russia's lack of interest in its past has deprived the Russian people of heroes, as well as villains. The names of those who secretly opposed Stalin, however ineffectively, ought to be as widely known in Russia as are, in Germany, the names of the participants in the plot to kill Hitler. The incredibly rich body of Russian survivors' literature—tales of people whose

humanity triumphed over the horrifying conditions of the Soviet concentration camps—should be better read, better known, more frequently quoted. If schoolchildren knew these heroes and their stories better, they would find something to be proud of even in Russia's Soviet past, aside from imperial and military triumphs.

Unless the Russian elite soon comes to recognize the value and the importance of all of Russia's citizens, to honor both their civil and their human rights, Russia is ultimately fated to become today's northern Zaire.

Yet the failure to remember has more mundane, practical consequences too. It can be argued, for example, that Russia's failure to delve properly into the past also explains its insensitivity to certain kinds of censorship and to the continued, heavy presence of secret police, now renamed the Federalnaya Sluzhba Bezopasnosti, or FSB. Most Russians are not especially bothered by the FSB's ability to open mail, tap telephones, and enter private residences without a court order.

Insensitivity to the past also helps explain the absence of judicial and prison reform. In 1998, I paid a visit to the central prison in the city of Arkhangelsk, once one of the capital cities of the Gulag. The city prison, which dated back to before Stalin's time, seemed hardly to have changed since then. As I walked the halls of the stone building, accompanied by a silent warder, it seemed as if we had stepped back into one of the many Gulag memoirs I had read. The cells were crowded and airless; the walls were damp; the hygiene was primitive. The prison boss shrugged. It all came down to money, he said: The hallways were dark because electricity was expensive, the prisoners waited weeks for their trials because judges were badly paid. I was not convinced. Money is a problem, but it is not the whole story. If Russia's prisons still look as they did in Stalin's era, if Russia's courts and criminal investigations are a sham, that is partly because the Soviet legacy does not hang like a bad conscience on the shoulders of those who run Russia's criminal justice system. The past does not haunt Russia's secret police, Russia's judges, Russia's politicians, or Russia's business elite.

But then, very few people in contemporary Russia feel the past to be a burden, or an obligation, at all. The past is a bad dream to be forgotten or a

whispered rumor to be ignored. Like a great, unopened Pandora's box, it lies in wait for the next generation.

WESTERN AMNESIA

Our failure in the West to understand the magnitude of what happened in the Soviet Union and Central Europe does not, of course, have the same profound implications for our way of life as it does for theirs. Our tolerance for the odd "Gulag denier" in our universities will not destroy the moral fabric of our society. The Cold War is over, after all, and there is no real intellectual or political force left in the communist parties of the West.

If we do not try harder to remember the history of the other twentieth-century totalitarian regime, in the end it is we in the West who will not understand our past, we who will not know how our world came to be the way it is.

Nevertheless, if we do not start trying harder to remember, there will be consequences for us too. For one, our understanding of what is happening now in the former Soviet Union will go on being distorted by our misunderstanding of history. Again, if we really knew what Stalin did to the Chechens, and if we felt that it was a terrible crime against the Chechen nation, it is not only Vladimir Putin who would be unable to do the same things to them now, but also we who would be unable to sit back and watch with any equanimity. Neither did the Soviet Union's collapse inspire the same mobilization of Western forces as did the end of the Second World War. When Nazi Germany finally fell, the rest of the West created both NATO and the European Community—in part to prevent Germany from ever breaking away from civilized "normality" again. By contrast, it was not until September 11, 2001, that the nations of the West seriously began rethinking their post–Cold War security policies, and then there were other motivations stronger than the need to bring Russia back into the civilization of the West.

But in the end, the foreign policy consequences are not the most important. For if we forget the Gulag, sooner or later we will find it hard to understand our own history too. Why did we fight the Cold War, after all? Was it because crazed right-wing politicians, in cahoots with the military-industrial

complex and the CIA, invented the whole thing and forced two generations of Americans and West Europeans to go along with it? Or was there something more important happening? Confusion is already rife. In 2002, an article in the conservative British *Spectator* magazine opined that the Cold War was "one of the most unnecessary conflicts of all time." The American writer Gore Vidal has also described the battles of the Cold War as "forty years of mindless wars which created a debt of $5 trillion."

Very few people in contemporary Russia feel the past as a burden, or an obligation, at all. Like a great, unopened Pandora's box, it lies in wait for the next generation.

Thus we are forgetting what it was that mobilized us, what inspired us, what held the civilization of "the West" together for so long; we are forgetting what it was that we were fighting against. If we do not try harder to remember the history of the other half of the European continent, the history of the other twentieth-century totalitarian regime, in the end it is we in the West who will not understand our past, we who will not know how our world came to be the way it is.

And not only our own particular past, for if we go on forgetting half of Europe's history, some of what we know about mankind itself will be distorted. Every one of the twentieth-century's mass tragedies was unique: the Gulag, the Holocaust, the Armenian massacre, the Nanking massacre, the Cultural Revolution, the Cambodian revolution, the Bosnian wars, among many others. Every one of these events had different historical, philosophical, and cultural origins; every one arose in particular local circumstances that will never be repeated. Only our ability to debase and destroy and dehumanize our fellow men has been—and will be—repeated again and again: our transformation of our neighbors into "enemies," our reduction of our opponents to lice or vermin or poisonous weeds, our reinvention of our victims as lower, lesser, or evil beings, worthy only of incarceration or expulsion or death.

The more we are able to understand how different societies have transformed their neighbors and fellow citizens from people into objects, the more we know of the specific circumstances that led to each episode of mass torture

and mass murder, the better we will understand the darker side of our own human nature. Totalitarian philosophies have had, and will continue to have, a profound appeal to many millions of people. Destruction of the "objective enemy," as Hannah Arendt once put it, remains a fundamental object of many dictatorships. We need to know why—and each story, each memoir, each document in the history of the Gulag is a piece of the puzzle, a part of the explanation. Without them, we will wake up one day and realize that we do not know who we are. ◘

Material from pages 178–91 adapted from the book *Gulag*, by Anne Applebaum, published by Doubleday, a division of Random House, Inc. © 2003 by Anne Applebaum. Reprinted with permission.

Available from the Hoover Press is *The Czechs and the Lands of the Bohemian Crown*, by Hugh Agnew, part of the Studies of Nationalities series, which examines the nationalities of Central and Eastern Europe. To order titles in the series, call 800.935.2882 or visit www.hooverpress.org.

How Many?

Although the Soviet Union contained thousands of concentration camps, and although millions of people passed through them, for many decades the precise tally of victims was concealed from all but a handful of bureaucrats. As a result, estimating their numbers was a matter of sheer guesswork while the USSR existed and remains a matter of educated guesswork today.

As it turned out, the opening of the Soviet archives failed to provide complete answers. Figures for different categories of prisoner were kept in different places. Raw annual numbers that seemed low failed to account for the enormous movements of prisoners in and out of the system. During the past several years, though, surveys of archival publications have slowly produced figures that are gradually being accepted as accurate. Between 1929, when the camps first began to expand, and 1953, when Stalin died, it now seems clear that some 18 million people passed through the system. In addition, a further six or seven million were sent not to camps but into exile. In total, that means that up to 25 million people had some experience of arrest in Stalin's Soviet Union, or about 15 percent of the population. Add to that the POWs who worked in the system, and the numbers grow even higher, to a total of 28.7 million.

If I'm uncomfortable with those numbers, it is not because I think they are wrong. I don't think they are, but I also don't believe that any statistics—numbers of arrestees, numbers of deaths—can ever reflect the cumulative impact of Stalin's repressions on the life and health of whole families. A man was tried and shot as an "enemy of the people"; his wife was taken to a camp as a "member of an enemy's family"; his children grew up in orphanages and joined criminal gangs; his mother died of stress and grief; his cousins and aunts and uncles cut off all contact with one another, in order to avoid being tainted as well. Families broke apart, friendships ended, fear weighed heavily on those who remained behind, even when they did not die.

In the end, statistics can never fully describe what happened. Neither can the archival documents on which so much of my research has been based. All of those who have written most eloquently on the subject of the Gulag have known this to be true—which is why I would like to give one of them the last word on the subject of "statistics" and "archives" and "files."

In 1990, the writer Lev Razgon was allowed to see his own archival file, a thin collection of documents describing his arrest and the arrests of his first wife, Oksana, as well as several members of her family. He read through it and later wrote an essay on its contents. He reflected eloquently on the contents of the file; on the sparsity of the evidence; on the ludicrous nature of the charges; on the tragedy that befell his wife's mother; on the opaque motives of his father-in-law, the Chekist Gleb Boky; on the strange absence of repentance on the part of those who had destroyed all of them. But what struck me most about his experience of working in the archives was his description of how ambivalent he felt when he had finished reading:

> I have long since stopped turning the pages of the file and they have lain next to me for more than an hour or two, growing cold with their own thoughts. My guardian [the KGB archivist] is already beginning to cough suggestively and look at his watch. It's time to go. I have nothing more to do here. I hand over the files and they are negligently dropped again into the shopping bag. I go downstairs, along the empty corridors, past the sentries who do not even ask to see my papers, and step out into Lubyanka Square.
>
> It's only 5 P.M., but it is already almost dark and a fine, quiet rain falls uninterruptedly. The building remains beside me and I stand on the pavement outside, wondering what to do next. How terrible that I do not believe in God and cannot go into some quiet little church, stand in the warmth of the candles, gaze into the eyes of Christ on the Cross and say and do those things that make life easier to bear for the believer. . . .
>
> I take off my fur hat, and drops of rain or tears trickle down my face. I am 82 and here I stand, living through it all again . . . I hear the voices of Oksana and her mother . . . I can remember and recall them, each one, and if I remained alive, then it is my duty to do so. ◘

—*Anne Applebaum*

The Gulag: Life Inside

The Hoover Institution Archives houses an extensive collection of material on the Soviet Gulag. The diaries, letters, faded photographs, and prison records offer remarkable insight into life in the prison camps. ***By Brad Bauer.***

One of the most fascinating aspects of working with archival material is learning about the lives of the widely disparate personalities who have left behind their stories on scraps of paper, typed memoranda, diary entries, faded photographs, and other fragile documents from the past. Although sifting through statistics found in prison camp records paints a picture of the magnitude of the forced labor camp network known as the Gulag, the personal stories of the prisoners themselves provide the most vivid portrayal of the immense cruelty of this system.

Ever since the founding of the Hoover Institution Archives in 1919, the history of Russia and the Soviet Union has been an important focus of collecting activities. Included in the archival collections are numerous documents connected to the history of the Gulag. The massive Boris Nicolaevsky collection contains handwritten and typed memoirs of individuals imprisoned in the Gulag who set down their reminiscences when they reached refugee camps in Western Europe in the 1940s and 1950s. Other collections contain testimonies from those held captive in the 1920s, as well as clippings from Russian newspapers (both inside and outside the Soviet Union) documenting the origins of this massive system of forced labor. The microfilm collection of the Archives of the Soviet Communist Party and Soviet State—a rich source

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of documentation about the creation and administration of the Gulag—has been used extensively by scholars in the past several years.

The archival collections discussed below document the experiences of just a few of the estimated 28 million individuals who passed through the gates of the Gulag. Their stories are emblematic of the many kinds of prisoners in the Gulag during those years, such as victims of Stalinist purges, foreign prisoners of war, and political dissidents of the 1960s and 1970s.

THE REVOLUTION EATS ITS OWN: THE FATE OF SERGEI SEDOV

As Stalin consolidated his hold on power in the late 1920s—and forced erstwhile colleagues like Leon Trotsky into exile—the camps of the Gulag began to expand greatly, filling not only with Party members that Stalin viewed as direct threats to his power but also with their relatives, friends, and others tarred with the brush of guilt by association.

One such individual was Sergei Sedov, the son of Trotsky by his second wife. Sedov was arrested in 1935 and banished to Krasnoyarsk in Siberia. From there, his trail becomes harder to follow. Some accounts maintain that he was killed during a prison uprising in 1937; others, that he was shot after being accused of a plot to poison factory workers. The letters of Sedov in the Hoover Archives, however, depict a relatively apolitical engineer who deeply missed his newlywed wife.

The personal stories of the prisoners themselves provide the most vivid portrayal of the immense cruelty of the Gulag.

The correspondence begins in August 1935, on the morning following his forced departure from Moscow. In a shaky hand guided by the swaying of his railway car, he plaintively describes his hope of finding a letter from his wife on arrival in Krasnoyarsk. As the journey stretches on, he notes the names of the train stations that he passes, all the while lamenting the length of the journey.

Knowing the ultimate fate that befell Sedov two years later, these are the heartbreaking testimony of an individual struggling to [illegible] life during the most terrifying times. In many of the letters, he addresses his wife as "my sweet eyelash." In some letters, Sedov is decidedly upbeat, but

in other letters the loneliness and pain of separation are all too evident, such as the one of August 17, 1935:

> On the way to Krasnoyarsk, I kept wondering how to present you with a bouquet of flowers on the 14th or 15th [his wife's birthday], and I also reflected sadly that there is no one in Moscow I can ask to do this favor. . . . I've sent you four letters, three en route and one from here, Krasnoyarsk Deportation Jail. My situation is still the same and I know nothing about my future. Why are there no letters from you?

Before his confinement in a labor camp, Sedov tried to find a job in Krasnoyarsk. His letters describe a frustrating search and a bleak existence: "My feet are wet and covered with blisters; the rain outside is absolutely dreadful. Last night I slept in the entrance hall of a local alcoholic. . . . In general, I've forgotten what comfort is all about. You know, roses don't grow on prison latrines. Please forgive my vulgarity."

Interspersed with his varying feelings of optimism and despair, Sedov provides details about life in Krasnoyarsk with the eye of a novelist—descriptions of public parks with stately cedar trees, nearly impassable streets filled with mud, and the majesty of the Yenisei River, with ice making it nearly unnavigable in early September. Sedov also chronicles his alcoholic landlord's arguments with his long-suffering wife, which he heard through the thin walls of his room while spending solitary hours reading books about engineering and smelter furnace techniques. In one humorous letter he provides elaborate mathematical equations to determine the best way to keep his galoshes from being pulled off his feet by the suction force of the thick mud in the streets.

Just as abruptly as Sedov's letters began, they end. Only sketchy details are available from other sources about his ultimate fate.

FOREIGN PRISONERS: THE STORY OF ADAM GALINSKI

The camps of the Gulag also housed many foreign-born prisoners. Some were prisoners of war captured by the Red Army during World War II; others were foreign Communists who arrived in the Soviet Union with dreams of building a better society, only to find themselves behind barbed wire once

the suspicions of Stalin fell on them. Others, however, lived in countries occupied by Soviet forces following World War II and, because of their support for the independence of their homeland, were arrested and sent to the Soviet Union to serve prison sentences in the Gulag. Among this latter group was Adam Galinski.

The Hoover Archives continues to build such collections, hoping to shed light on a brutal episode in human history and to memorialize those who suffered in these prison camps.

On July 14, 1945, agents of the NKVD—the predecessor agency to the KGB—arrested Galinski as he walked down a street in his hometown, Vilnius, Lithuania, which had been reoccupied by Soviet forces for the past year. During the previous six years of war, Galinski had seen the invasion of Vilnius by Soviet forces in September 1939 and then occupation by Nazi forces after the German invasion of the Soviet Union in 1941. During this period, Galinski fought bravely for the cause of Polish independence as a partisan in the underground, first against the Soviet occupation, during which his wife, Jadwiga, was arrested and deported to a prison camp in Central Asia. Later, during the Nazi occupation, Galinski was arrested and tortured by the Gestapo, then sent to a prison camp from which he narrowly escaped execution before the camp's liberation in 1944.

After fighting alongside Red Army troops to liberate Lithuania and eastern Poland from the Germans, Galinski and other Polish partisans were disarmed by the NKVD and subsequently arrested and deported to camps throughout the Soviet Union. Galinski was tried as a Soviet citizen—which he was not—and charged with treason, which carried the death penalty. His sentence was commuted and he spent the next 10 years in forced labor camps in the northern region of Vorkuta. While imprisoned at Vorkuta, he sought to keep up the spirits of fellow Polish partisans who were imprisoned with him under most appalling conditions. In 1953 he took part in the famous prisoners' revolt in the coal mines of Vorkuta. When Soviet authorities reviewed his case before a special tribunal in 1956, they shortened his sentence to time already served. Galinski refused to leave the camp, however, until his Polish citizenship was recognized and he was permitted to return to Poland.

The Galinski papers in the Hoover Archives contain fragmentary evidence of his life in prison: three postcards and one letter to his wife (who by 1948 had been released from prison herself), his release papers from 1956, and his unpublished reminiscences of those bitter years (including transcripts of interviews on Radio Free Europe, testimony before the U.S. House of Representatives, and many speeches detailing his experiences).

His wife, who had settled in the United States in the 1950s, tried every diplomatic channel she could find to obtain her husband's freedom. Letters to international authorities and Polish diplomats, as well as her own diary, document this lengthy fight. In 1959, Galinski was permitted to leave Poland, and he joined his wife in Washington, D.C.—the first time they had seen each other in 18 years.

THE ERA OF HIGH-PROFILE DISSIDENTS: ANDREI SINYAVSKY AND ALEXANDER GINZBURG

With the death of Stalin in 1953 and Nikita Khrushchev's secret speech at the 20th Congress of the Communist Party of the Soviet Union in 1956, a shift occurred in many aspects of life in the Soviet Union, including the Gulag. Prison camps were dismantled and thousands of prisoners were released. A novel that accurately depicted the stark reality of life in the camps, Alexander Solzhenitsyn's *One Day in the Life of Ivan Denisovich,* was published with official sanction and worldwide acclaim. But the Gulag was by no means a thing of the past, even if greatly reduced in scale.

With the highly publicized trial of the poet Joseph Brodsky in 1964, it became apparent that the authorities were ready to crack down on artists, intellectuals, and anyone else who dared criticize the Soviet regime too loudly. The trial of writers Yuli Daniel and Andrei Sinyavsky in 1966 made unmistakably clear the course the Brezhnev regime would take in attempting to silence such dissident voices.

By 1965, Sinyavsky had already published several works in the West, when he and his close friend and colleague Daniel were arrested and charged with smuggling their work out of the Soviet Union for publication in the West. Sinyavsky later recounted being taken into custody by the KGB on a Moscow street while waiting for a streetcar: "Could I have started shouting, shown some fight at that moment? Made a scene? Appealed to

my fellow citizens? Torn free and tried to escape . . . thieves always do." However, as "a ridiculous intellectual, my only thought was how to behave with as much decency and dignity as possible."

Following a high-profile trial—in which Sinyavsky and Daniel vigorously defended their actions instead of signing a forced confession—both men were sentenced to labor camps. Sinyavsky was sent to the Dubrovlag camp, 300 miles south of Moscow. In this swampy wilderness with its barren barracks, it would have been easy for a prisoner to give up hope and succumb to despair. Sinyavsky, however, responded by doing what he did best: write.

Although prisoners were forbidden to keep manuscripts or diaries, they were permitted to write limited numbers of letters. Sinyavsky's written expression poured out in lengthy letters to his wife. Rather than dwelling on the many hardships of camp life, he instead wrote meditations on the relationship between Russian and Western culture, on the nature of creativity, about Russian folk traditions in song, language, and poetry—of which life within the camps provided abundant examples—and he also wrote extensively about such towering figures of the Russian literary tradition as Gogol and Pushkin.

The censors did not limit the length of Sinyavsky's letters, nor did they redact any of the letters once they learned that the topics discussed were religion, poetry, and culture (which did not interest the censors in the least!). By the time of his release in 1971, Sinyavsky had penned more than 1,500 pages of letters to his wife—material that formed the basis for at least three subsequent books.

The papers of Andrei Sinyavsky in the Hoover Archives provide the bulk of the source material that documents this phase of his life: notebooks written in pencil during his stay in Lefortovo Prison and during his trial in Moscow, as well as a complete set of copies of his correspondence to his wife during his years at Dubrovlag. During Sinyavsky's imprisonment, the outside world did not remain silent, and a number of files testify to the activity of Western human rights organizations in seeking his release. The view from the prosecutor's bench during his trial is also documented in his papers, through copies of the trial transcripts that the KGB compiled. Sinyavsky, who in his later years visited Stanford University and lectured there, died in 1997. However, through his impressive body of literary work—

much of it either composed in the camps or generated by his experiences there—his voice lives on.

Another contemporary of Sinyavsky, and the one who did the most to publicize his Moscow trial, was the journalist and human rights activist Alexander Ginzburg. Determined to document the Sinyavsky-Daniel trial, Ginzburg and fellow dissident Yuri Galanskov compiled and published the *White Book*, a detailed account of the trial. Although the book was published in the West, Ginzburg sent copies to the KGB, the Central Committee of the Communist Party, and other arms of the government, which led to a five-year prison sentence (Ginzburg's second).

Reading such vivid documents from these tragic times, the prisoners emerge from the shadows of anonymity—where they languished as zeks, identified merely by numbers—to take their places as human beings displaying a remarkable degree of strength, courage, and perseverance.

After his release in 1972, Ginzburg resumed his dissident work. His activities included working with Alexander Solzhenitsyn to administer a fund that provided aid (derived from royalties on Solzhenitsyn's books) to political prisoners and their families, smuggling and distributing miniature copies of Solzhenitsyn's *Gulag Archipelago* into the Soviet Union, and cofounding the Moscow Helsinki Group (a coalition of dissidents who sought to ensure that the Soviet Union observed the international human rights accords it had signed in 1975). For his efforts, Ginzburg was arrested a third time, in 1977, and given an eight-year sentence. During his trial he stated that he was "born in the Gulag Archipelago," and when asked his nationality, he responded *zek* (the slang term for a prisoner of the Gulag). As a result of international pressure, including from the administration of President Jimmy Carter, Ginzburg was freed from prison and sent to the United States in 1979, where his family subsequently joined him. A year later they settled in France, where Ginzburg continued to work as a journalist and human rights activist until his death in 2002.

The Alexander Ginzburg papers, recently acquired by the Hoover Archives, provide fascinating glimpses of life among Soviet dissidents during the 1960s

and 1970s. Items that appear fairly mundane on first glance, such as a page of grocery receipts, represent a small part of the records maintained by the Ginzburgs as they administered what came to be called the "Solzhenitsyn Fund." Worn identification documents with photos of a young Ginzburg document his release from prison in 1962 and 1972. Ink-smudged letters in minute handwriting are from fellow dissidents, many of whom wrote Ginzburg while he was imprisoned at the notorious Vladimir Prison in the early 1970s. A list of these correspondents reads like a veritable *Who's Who* of the Soviet dissident movement. Later in the 1970s, after being released from prison, Ginzburg was unable to find a job owing to his dissident activities; at the same time he was accused by the government of being a "parasite" because of his unemployment. It was then that Andrei Sakharov came to his aid, writing several letters stating that Ginzburg had worked for him as a secretary; one even came with a business card—in English—from a New York–based human rights organization, listing Sakharov as their "representative in the USSR."

The staff of the Hoover Archives continues to build such collections, hoping to shed light on a brutal episode in human history and to memorialize those who suffered in these prison camps. Reading such vivid documents from these tragic times, the prisoners emerge from the shadows of anonymity—where they languished as *zeks,* identified merely by numbers—to take their places as human beings displaying a remarkable degree of strength, courage, and perseverance. ◘

Special to the *Hoover Digest.*

Karl Raimund Popper: The Philosopher and His Papers

An examination of the political philosophy and legacy of one of the most important minds of the twentieth century. ***By Tom Bethell.***

The author Bryan Magee has called Sir Karl Raimund Popper (1902–94) "the outstanding philosopher of the twentieth century." Popper's papers up to 1985 were acquired by the Hoover Institution while he was still alive, and more of his papers and correspondence became available to Hoover in 2001. Those papers were acquired through the initiative of former Hoover archivist Charles Palm and the late Hoover senior fellow W. W. Bartley III, Popper's collaborator for 30 years. Bartley was also the first general editor of the papers of the Nobel Prize–winning economist Friedrich Hayek, whose papers are also at the Hoover Archives. Popper and Hayek corresponded at length throughout their lives, and their careers interacted at a key stage of Popper's career.

The papers, filling 583 boxes altogether, are open to researchers at the Hoover Archives. Several recent books drawing on research in the collection have already contributed to a greater understanding of Popper's work.

EARLY INFLUENCES

Popper was the son of Dr. Simon Popper, a lawyer, and Jenny Schiff, from a family of prosperous merchants. Both parents converted from Judaism to

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Hoover Institution Archives

Karl Popper, 1973.

Lutheranism in 1900. Simon Popper became the law partner of Vienna's last liberal mayor.

Throughout his youth in Vienna, Popper was surrounded by progressive intellectuals. Briefly a Marxist, Popper became a democratic socialist, but he grew suspicious of socialist planning and utopianism and ultimately became a strong advocate of democracy at a time when that idea was not as fashionable as it is today. In many ways, he moved to the right politically throughout his long life, although one should not conclude that he moved all the way to classical liberalism. As late as 1974, Popper still believed that the state should take a controlling interest in public companies.

After the First World War, Popper's interest in science grew, which led him by degrees to analyze its philosophy. Working as an apprentice to a cabinet-

maker, he obtained a Ph.D. and taught school for several years. Vienna during these years was intellectually fertile ground for the young philosopher. He attended a lecture by Albert Einstein, who discussed the general theory of relativity, and worked as a volunteer in the clinic of Alfred Adler, who became well known for explaining behavior in terms of an "inferiority complex." Popper also pondered the ideas of Karl Marx, especially as they related to historical inevitability, and became familiar with the writings of Sigmund Freud (whose sister was a friend of Popper's family).

The most influential group of philosophers when Popper came of age was also based in his hometown: It became known as the Vienna Circle. Although Popper interacted with the group, he was never a member himself. The Vienna Circle promoted the doctrine of logical positivism, which asserted that only logical statements, or those that can be verified empirically, are meaningful. In effect, positivism banished other statements (including metaphysical and religious claims) into the realm of meaninglessness, thus reducing philosophy to logic or science. Popper, who never joined the positivist crusade, refused to dismiss metaphysical statements or religious beliefs as nonsensical.

THE LOGIC OF SCIENTIFIC DISCOVERY

Popper's ideas about the philosophy of science grew out of his encounters in Vienna with the ideas of Adler, Marx, Freud, and Einstein. He noted that the theories of Adler, Marx, and Freud "appeared to be able to explain practically everything that happened within the fields to which they referred" and that their devotees often experienced what seemed to be a conversion or a revelation, their eyes now open "to a new truth hidden from those not yet initiated." But with Einstein's theory, Popper noticed a significant difference. To give the most famous example, Einstein's general theory of relativity predicted that light from a background star would be deflected slightly as it passed the sun. (Eddington's expedition to observe a solar eclipse in 1919 confirmed this.) What impressed Popper was the risk involved in such a prediction. If observation shows that the effect is not there, then "the theory is simply refuted" and cannot coexist with certain observations, for they would falsify the theory. Popper concluded that all genuine scientists should be prepared to ask, as Einstein did, "Under what conditions would I admit

that my theory is untenable?" In contrast, the theories of Freud, Adler, and others seemed to be "compatible with the most divergent human behavior." It is difficult or impossible to describe any outcome that might not be seen as having verified them.

The word "historicism" was unfamiliar prior to Popper's work. The historicist, Popper wrote, sees history as a river "coming down from its source, and he believes he can see where it is going next." Himself an "indeterminist," Popper strongly disagreed with the historicist vision. Marx and Hegel were leading historicists, and "progress"—in which nineteenth-century intellectuals invested so much hope—is a historicist idea.

And so Popper arrived at his criterion of falsifiability, which distinguishes between theories that are genuinely scientific and those that are not. It is a principle of demarcation between science and non-science. Thanks to the rising prestige of science in the nineteenth century, more and more theories were attempting to gain plausibility and respect by calling themselves scientific—Marx's scientific materialism, for example. Popper argued that theories framed in such a way that no conceivable observation could falsify them were non-scientific; irrefutability was not a virtue of a theory but a vice.

John Watkins, Popper's student and then colleague at the London School of Economics, wrote that the principle of demarcation "seems so obvious that one tends to assume that it must have been stated long ago, but I don't know of anyone who did explicitly state it before Popper."

Popper made a major contribution in demonstrating the unfalsifiable character of many social sciences, saying they should be regarded as pseudo-sciences or, as he later put it, metaphysical research programs. Science, finally, is not in possession of irrefutable truth, for all theories are tentative and subject to revision. The British physicist Sir Hermann Bondi wrote that "there is no more to science than its method, and there is no more method than Popper has said."

Popper's views about the philosophy of science were first published in abbreviated and revised form in German as *Logik der Forschung* in 1934,

which in turn was translated by Popper, with new appendixes, and published in English as *The Logic of Scientific Discovery* in 1959. At about the same time he wrote a *Postscript* to that work, which was not published until the 1980s and then in three separate volumes. (The "evolution" of this book highlights the challenge to scholarship presented by Popper's work. He wrote and then rewrote; new works sometimes remained in his desk drawers for decades before publication; and new editions and translations usually contained revisions.)

A WORLD IN TURMOIL

In 1934, the Social Democratic Party in Austria was declared illegal and the Nazi takeover was not far behind. Popper, who had been predicting catastrophe, was fortunate to be invited by the philosopher Susan Stebbing to lecture in England. He spent nine months there in 1935 and 1936 and met many leading philosophers, including Bertrand Russell and Friedrich Hayek at the London School of Economics (LSE). In 1937, Popper accepted an academic appointment in Christchurch, New Zealand. At about the same time, he began to write and rewrite drafts of a manuscript first published as "The Poverty of Historicism" in *Economica* (1944) and later in book form (1957).

Briefly a Marxist, Popper became a democratic socialist, but he grew suspicious of socialist planning and utopianism and ultimately became a strong advocate of democracy at a time when that idea was not as fashionable as it is today.

The word *historicism* was unfamiliar prior to Popper's work. The historicist sees history as a river "coming down from its source, and he believes he can see where it is going next," Popper wrote. An "indeterminist," Popper strongly disagreed. Marx and Hegel were leading historicists, and "progress"—in which nineteenth-century intellectuals invested so much hope—is a historicist idea. Malachi Hacohen argues that Popper's ideas about historicism were influenced by personal experience—in particular by the failure of leftist and Marxist parties in Vienna after World War I to insist on political reforms

when facing right-wing aggression. The Marxists had made the mistake of believing in their own creed. They believed that history would unfold as they believed and desired and so saw fascism as merely a temporary setback. Placing their faith in education, they saw little need for political action. *The Poverty of Historicism* was dedicated to those "countless men and women" who had fallen victim "to the fascist and communist belief in Inexorable Laws of Historical Destiny."

When Popper expanded his arguments to include the "totalitarian tendencies" of Plato's *Republic,* he found that his manuscript on historicism "grew or exploded, without any plan and against all plans." He split it off into a new book, *The Open Society and Its Enemies,* perhaps his best-known work. He called it his war effort. It was completed in February 1943 with the title "False Prophets: Plato-Hegel-Marx." Pointing to the threats to liberty inherent in utopian planning, it had much in common with Hayek's *The Road to Serfdom* but was written before Popper had seen Hayek's book. *The Open Society* was published in two volumes in 1945.

POSTWAR YEARS AND LATER LIFE

Popper returned to England after the war to take up a position that Hayek had arranged for him at LSE. Popper was immediately in demand and that fall, October 1946, he addressed the meeting of the Moral Science Club at Cambridge described in the best-selling book *Wittgenstein's Poker.* In the midst of an argument about philosophical problems, Wittgenstein, who did not believe that such problems were real, allegedly threatened Popper with a poker.

John Watkins describes hearing Popper lecture at LSE: "I was riveted. [He] had no notes or other paraphernalia. Ideas seemed to flow from him. His combination of seriousness and lucidity had an almost hypnotic persuasiveness. There were happy improvisations and touches of humor." Watkins noted that "giant-slaying was a persistent motif" in Popper's work, as in his critiques of Plato, Hegel, Marx, and Freud.

Promoted to professor at LSE in 1949, Popper was invited to give the William James Lectures at Harvard in 1950. After the Cold War began, Popper went through a "mood of depression" and began to think he may have been too optimistic. But the mood passed, he wrote in 1950, largely

as a result of his visit to the United States. He liked what he saw of America, returned several times, and always defended it against European critics.

At Harvard he was paid what he called "Hollywood rates" (ten lectures at $600 each); with the proceeds he bought a Bechstein piano and a house in Buckinghamshire, between London and Oxford, where he spent more and more of his time. After his wife, Hennie, died in 1985, he moved to another secluded house in Surrey. He also went up in a glider and bought first editions of works by Galileo, Kepler, Hobbes, Hume, and Kant.

Giant slaying was a persistent motif in Popper's work. He took on, among others, Plato, Hegel, Marx, and Freud.

Late in life he became alarmed by the power of television: In their negativism, the media were doing "great harm" and hastening the "moral corruption of mankind." "The truth is that we in the West live in the best world that has ever existed," he said. The United States was an "unprecedented success." As to those who cried out for peace, there was no way of achieving it "other than with weapons." He supported intervention in Bosnia. Sounding more and more conservative, he said that "irresponsible intellectuals have managed to see only evils in our Western world." No sooner was the Cold War won than they "issued their curses on our wicked age."

Popper received many honors and awards, and his books were translated into 40 languages. In his old age he had an audience with the emperor of Japan and was sought out by world leaders including Václav Havel, Helmut Kohl, and the Dalai Lama. He remained intellectually active until his death in 1994. □

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In the Archives

An enormous quantity of Karl Popper's unpublished material resides in the Hoover Archives, copies of which are also available at the London School of Economics, the Karl Popper Institute in Vienna, and the University of Klagenfurt in southern Austria. Several recent books, including those by Jeremy Shearmur and Malachi Hacohen, involved extensive use of the archives. In the midst of his own researches when the archives opened, Hacohen found the new material to be "in many respects a dream come true, including every manuscript that I could not access before."

The richest material is probably embedded in Popper's voluminous correspondence, little of which has found its way into print. Here are a few items of interest:

- Bertrand Russell and Popper exchanged letters after the Wittgenstein "poker" meeting. Popper sent off his letter the day after, saying how much he had enjoyed "cooperating with you, at night, in the battle against Wittgenstein." There was no mention of any poker, but Popper was confident of "the victory we won." Russell's reply was brief and lucid: "For my part I was much shocked by the failure of good manners which seemed to me to pervade the discussion on the side of Cambridge." Russell added that he had not taken a larger part in the debate "because you were so fully competent to fight your own battle."

- To Thomas Szasz, author of *The Myth of Mental Illness,* Popper wrote that he had read his book "at one go." It was "a most important book," written "in that only too rare spirit of a man who wants to be understood rather than to impress."

- Popper was on first-name terms with S. I. Hayakawa, who, as president of San Francisco State University, in 1969 was locked in battle with "striking" anti-war student groups. (Later, Hayakawa became a California senator.) Popper wrote to him from Atlanta, where he was lecturing: "I believe that

it will be decisive for the future of the world *how* America gets out of Viet Nam. America must try to leave with a *moral victory*."

- Popper had praise for another giant slayer, the anthropologist Derek Freeman, whose book *The Coming of Age in Samoa: The Nemesis of an Anthropological Myth*, which discredited Margaret Mead's venerable *Coming of Age in Samoa* (1928), was dedicated to Popper. Freeman had been an undergraduate student in New Zealand when Popper was there, and the two may have met then. "You had told me before about your criticism of Margaret Mead but I must say I did not expect it to be quite as devastating as it turns out to be," Popper wrote to him in 1979. Freeman replied, "May I thank you again for that encouragement which sustained me amid the obscurantism from within anthropology to which I was often subjected."

- Popper corresponded even-handedly with the renowned and the obscure alike. To one enthusiast who had sent him 26 pages on "Making Sense of Quantum Mechanics"—the kind of package that public intellectuals tend to discard without hesitation—Popper sent a kindly and thoughtful reply. In response to another amateur who asked him, "What makes you tick?" Popper replied, "I am unimpressed by fashion in philosophy and in public life." ◻

—Tom Bethell

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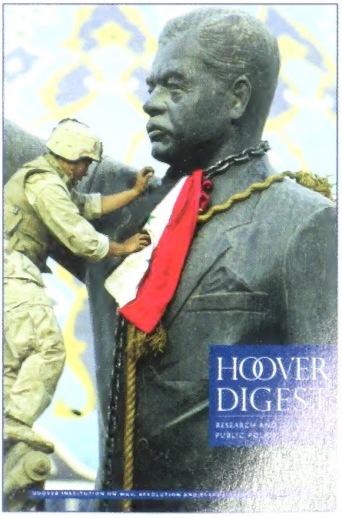

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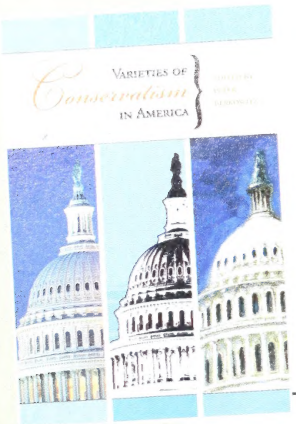

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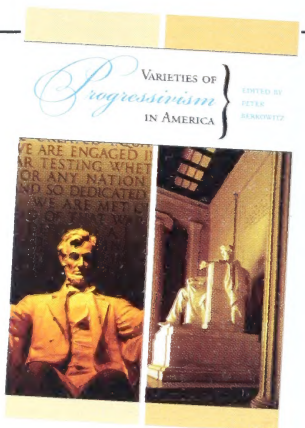

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